

**SNOHOMISH COUNTY PUBLIC UTILITY DISTRICT
BOARD OF COMMISSIONERS REGULAR MEETING
Everett Headquarters Building, 2320 California Street
Zoom Online Platform Option Available**

December 20, 2022

CONVENE REGULAR MEETING – 9:00 a.m. – Commission Meeting Room

Virtual Meeting Participation Information

Join Zoom Meeting:

- Use link
- <https://us06web.zoom.us/j/84874423752?pwd=YVdKbW9GT0V1NS84N3E3QTNJaWIOUT09>
- Dial in: (253) 215-8782
- Meeting ID: 848 7442 3752
- Passcode: 233946

1. CEO/GENERAL MANAGER BRIEFING AND STUDY SESSION

- A. Updates
 - 1. Community Engagement
 - 2. [Legislative](#)
 - 3. Other
- B. [2023 Cost of Service Analysis & Rate Adjustment Recommendations](#)
- C. [Western Resource Adequacy Program Update and Phase 3B Work Order Briefing](#)
- D. [2021 Water System Plan Update](#)
- E. [Water Policy and Procedure Updates](#)
- F. [2023 Retail Rate Proposal Water Utility](#)

RECONVENE REGULAR MEETING - 1:30 p.m. - Virtual Meeting Participation

2. RECOGNITION/DECLARATIONS

- A. [General Manager's Life Saving Award - Paul Kiss](#)

3. COMMENTS FROM THE PUBLIC

If you are attending the meeting virtually (using the link or number provided above) please indicate that you would like to speak by clicking “raise hand” and the Board President will call on attendees to speak at the appropriate time. If you are joining by phone, dial *9 to “raise hand.”

4. CONSENT AGENDA

- A. [Approval of Minutes for the Regular Meeting of December 6, 2022, and the Special Meeting of December 13, 2022](#)
- B. [Bid Awards, Professional Services Contracts and Amendments](#)
- C. [Consideration of Certification/Ratification and Approval of District Checks and Vouchers](#)
- D. [Consideration to Prequalify Contractors as Bidders for Electrical Line Work for the District During 2023](#)

Continued →

5. PUBLIC HEARING AND ACTION

- A. [Disposal of Surplus Property – 1st Quarter 2023](#)
- B. [Consideration of a Resolution Ordering, Approving, Ratifying and Confirming the Construction and Installation of the Plan or Systems of Additions to the District’s Water Utility, as Adopted on November 15, 2022, and Applicable to the Local Utility District Hereinafter Described, Forming Local Utility District No. 65 of Snohomish County, Washington, and Confirming the Final Assessment Roll](#)
- C. [Consideration of a Resolution Amending the District’s “Pilot Small Distributed Generation Rate Schedule”](#)
- D. [Consideration of a Resolution Declaring Certain Property Interests Over a Portion of Certain District Property \(Tax Parcel Nos. 27102900100200, 27102900101300, 27102900100900\) to be Surplus and Authorizing the Granting of an Access and Use Easement in Favor of Mt. Index River Sites Community Club, Inc.](#)

6. ITEMS FOR INDIVIDUAL CONSIDERATION

- A. [Consideration of a Resolution Authorizing and Approving an Updated District Investment Policy](#)
- B. [Consideration of a Resolution Authorizing the CEO/General Manager or His Designee to Execute a Work Order With the Western Power Pool for Participation in Phase 3B of the Western Resource Adequacy Program Implementation](#)

7. [CEO/GENERAL MANAGER REPORT](#)

8. COMMISSION BUSINESS

- A. [Commission Reports](#)
- B. [Commissioner Event Calendar](#)
- C. [2022 Budget, Forecast, and Major Project Status Report - November](#)

9. GOVERNANCE PLANNING

- A. [Adoption of the 2023 Governance Planning Calendar](#)

ADJOURNMENT

January 5, 2023:

Economic Alliance Snohomish County (EASC) – 2023 Legislative Kick-Off
Everett, WA 10:00 a.m. – 12:00 p.m.

January 6, 2023:

Pacific Northwest Utilities Conference Committee (PNUCC) Meeting (Virtual)

The next scheduled regular meeting is January 10, 2023

Agendas can be found in their entirety on the Snohomish County Public Utility District No. 1 web page at www.snopud.com. The public is invited to attend. Parking and meeting rooms are accessible for persons with disabilities. Contact the Commission Office at 425.783.8611 for special accommodations or additional information

State Government Relations Activity Report

STATE OVERVIEW

- The week of Nov. 28, the Washington State Senate and House held their annual Committee Days. This year, Committee Days were held in person and remotely. Committee Days are an opportunity for legislators to meet in committee, receive briefings, and ask questions on important issues relevant to the next legislative session.
- On Nov. 28, the Washington State Department of Ecology (Ecology) adopted the final rules for the Clean Fuels Program. The state legislature passed the Clean Fuel Standard in 2021 and directed Ecology to implement the program beginning in 2023. The program establishes carbon intensity standards for transportation fuels used in Washington, assigns compliance obligations to fuels with carbon intensities that exceed the standard, and establishes compliance methods including assigning credits to fuels that have carbon intensities below the standard. Entities that supply smaller quantities of fuels or fuels with a carbon intensity below the established standard may opt into voluntary compliance with the program.
- On Dec. 5, the first bills of the 2023 session were pre-filed. [Pre-filed bills](#) are only introduced into the legislative system for public review and must await the session to begin the legislative process.
- On Dec. 14, Governor Inslee announced his legislative [priorities](#) and requested a [biennial state budget](#) for the upcoming 2023 legislative session.
- On Dec. 15, Governor Inslee issued an [emergency proclamation](#) related to a series of severe storms that occurred between Nov. 3 and Nov. 8 across 12 counties including Snohomish and Island. According to Inslee, “the Washington State Military Department has activated the State Emergency Operations Center to implement emergency response procedures and is coordinating resources to support local officials in alleviating the immediate impacts. State agencies and departments [have been] directed to utilize state resources in accordance with the Washington State Comprehensive Emergency Management Plan and do everything reasonably possible to assist affected political subdivisions in an effort to respond to and recover from the event.”

KEY HEARINGS/PRESS CONFERENCES/MEETINGS

- Nov. 30 | The Impact – [2022 Policy News Recap and Issues to Watch in 2023](#)
- Dec. 2 | [Senate Environment, Energy & Technology Committee – Work Session: Clean Energy Transformation Act and Clean Fuel Standards](#)
- Dec. 2 | [House Environment & Energy committee – Work Session: Climate and Environmental Justice Policy Implementation](#)
- Dec. 12 | [Governor Inslee – Climate Policy Press Conference](#)
- Dec. 14 | [Governor Inslee – Proposed biennial state budget for the upcoming legislative session](#)

CALENDAR

- The 2023 regular session is scheduled to convene Jan. 9.

INTERESTING READS

- The Center Square | Washington: [State of Washington grants \\$32.5M stimulus to boost small businesses](#)
- Everett Herald: [Crime, climate, abortion on docket in legislative session warm-up](#)
- Capital Press: [Inslee to propose ‘new ways’ to site energy projects](#)
- Crosscut: [Gov. Inslee plans to ban gas-powered cars by 2035. Is it doable?](#)
- The Spokesman-Review: [Inslee proposes \\$70 billion budget with focus on housing, homelessness, behavioral health](#)
- The Olympian: [WA Senate GOP proposes energy plan aimed at emissions and reliability. Here are the details](#)

Federal Government Relations Activity Report

FEDERAL OVERVIEW

- On Dec. 6, the Select Committee on the Climate Crisis held its final hearing. The discussion focused on the Committee's accomplishments and what climate [action is still needed](#) from Congress.
- A group of House Democrats sent a letter to the House and Senate Appropriations Committees requesting they include \$2.1 billion in the end-of-year emergency spending bill to fund domestic production of distribution transformers and other electric grid components under the Defense Production Act.
- On Dec. 8, the House passed the National Defense Authorization Act which contained the Water Resources Development Act (WRDA). Senator Cantwell [championed legislative language](#) in the Senate bill that “directs the Army Corps of Engineers to study one of the key pillars in the efforts to modernize the Columbia River Treaty regime: flood control in the Columbia River Basin. The Columbia River Basin experiences high annual runoff, variation in flows and a limited amount of water storage in the United States portion of the Columbia River Basin. The WRDA bill authorizes a study to evaluate how to improve water storage and flood control in the Columbia River Basin.” The Senate is expected to advance the measure.
- On Dec. 14, the House Democratic Steering and Policy Committee endorsed Rep. Rick Larsen (D-WA) to be the Ranking Member of the House Transportation & Infrastructure Committee next Congress. The full Democratic caucus will now vote to determine who will serve as Ranking Member.
- The White House Office of Science and Technology hosted an electrification summit focused on how electrification can help the U.S. reach its decarbonization goals. More details can be found [here](#).
- Congressional leaders continue to work towards a deal to fund the federal government for FY 2023. Funding is currently set to expire on Dec. 16 and Congress is poised to pass a Continuing Resolution that would extend funding through Dec. 23 to avert a government shutdown.

KEY HEARINGS

- Dec. 6 | House Select Committee on the Climate Crisis [hearing](#) on “Solving the Climate Crisis: Key Accomplishments, Additional Opportunities, and the Need for Continued Action”
- Dec. 7 | The Department of Energy and the Federal Energy Regulatory Commission held a [joint conference](#) on supply chain risk management.
- Dec. 13 | Senate Committee on Energy and Natural Resources [hearing](#) to “Examine the Department of the Interior’s Implementation of the Infrastructure Investment and Jobs Act”

INTERESTING READS

- Politico: [Inside Biden’s decision to halt a rail strike](#)
- Politico: [McCarthy’s ongoing speaker battle paralyzes House](#)
- E&E news: [Senate to vote on Manchin’s permitting overhaul](#)
- The Hill: [House Democrats want to use DPA for electric transformers, seek \\$2.1B in funding](#)
- E&E News: [McMorris Rodgers’ journey to the Energy and Commerce Gavel](#)
- Seattle Times: [Feds announce \\$30M for dam removal, other projects to help salmon in WA](#)
- Seattle Times: [Cantwell pushes to clear Boeing’s final 737 MAX models, with conditions](#)
- Politico: [Murray passes on No. 3 Democratic leader job](#)

Local Government Relations Activity Report

LOCAL OVERVIEW

- On Nov. 17, Snohomish County announced applications available to community members interested in serving on the new Board of Health. The nine-member group will develop, approve, and revise countywide policy on public health issues such as opioids, immunizations, and climate change. The Board evaluates yearly budget proposals, recommends new programs, and reviews Health Department activities.
- On Nov. 22, the Snohomish County Council confirmed the nomination of [Lucia Schmit](#) as the Department of Emergency Management Director. Ms. Schmidt has served as an emergency management leader at federal, state, and local agencies, including work internationally. She comes to Snohomish County from the City of Seattle where she worked as the Emergency Planning Coordinator.
- On Dec. 1, the Snohomish County Executive signed a Proclamation condemning antisemitism and reaffirming Snohomish County's commitment to nondiscrimination and human rights.
- On Dec. 5, the Arlington City Council approved appointments to the [Vote of Transportation Benefit District Renewal](#) for a ballot measure scheduled on 2/14/22 for transportation projects, including road capacity improvements.
- On Dec. 7, the Snohomish County Council confirmed the nomination of [Dennis Worsham](#) as the Snohomish County Health Department Director. Mr. Worsham's early career years were spent at the Snohomish Health District and returns after 29 years at various public health positions at the local, regional, and state level. The Snohomish Health District is being integrated into the Snohomish County government, and on January 1, 2023, the new Snohomish County Health Department will be launched.
- On Dec. 14, the Snohomish County Executive launched a Flood Risk Reduction Projects Grant Program, using American Rescue Plan Act (ARPA) federal funds, for capital projects and planning & design projects intended to mitigate damages due to flooding along riverways and the coast.
- On Dec. 14, the Snohomish County Council approved an [interlocal agreement](#) to award Council Project Funds in the amount of \$75,000 to the PUD for a Renewable Energy Education project to be located at the Arlington Microgrid Clean Energy Center.
- On Dec. 14, the Snohomish County Council approved an [interlocal agreement](#) between Snohomish County and the PUD concerning the utility construction associated with the Granite Falls Bridge replacement project. This involves the relocation of 1400 linear feet of 8-inch water main pipe. The PUD currently has utilities within the County right-of-way and is required by franchise conditions and state law to relocate these facilities to accommodate County initiated public road improvements. The costs associated with the utility work will be paid by the PUD.
- On Dec. 14, the Everett City Council authorized the Mayor to sign a [grant agreement](#) with the Washington State Commerce to address low-income customer arrearages with utilities, including electric, compounded by the COVID-19 pandemic.
- On Dec. 14, the Everett City Council unanimously passed an ordinance establishing a [Business Improvement Area](#) (BIA) for the Everett Station District Alliance (ESDA). The PUD has a representative on the ESDA Board of Directors but will not be a ratepayer in the BIA.

INTERESTING READS

- Everett Herald: [Arlington to host open houses on Smokey Point Boulevard](#)
- Everett Herald: [Port of Everett christens new Norton cargo terminal](#)
- Everett Herald: [Despite Forterra drama Darrington timber center still a go](#)
- Boeing Media: [Boeing, United Airlines Finalize 737 MAX and 787 Order, Including Record Purchase for 100 Dreamliners](#)
- Everett Herald: ["Tripledemic" strains resources at Snohomish County hospitals](#)

2023 Cost of Service Analysis & Rate Adjustment Recommendations

December 20, 2022

Brian Booth - Senior Manager of Rates, Economics, & Energy Risk Management

Felicienne Ng - Principal Utility Economist

Last Presented: January 4th, 2022

Purpose and Expectations

❑ Review Background Information

- ❑ Rate Pressures and Mitigation
- ❑ What's changed since the last Cost-of-Service-Analysis (COSA)?
- ❑ Cost Allocation

❑ Review COSA Results and Recommended Prices

- ❑ Detailed COSA Results
- ❑ Detailed Rate Adjustments
- ❑ Bill Impacts

❑ Future Rates Outlook

❑ Expectations:

- ❑ Commission discussion and “head nod” to return for rates hearing

Background

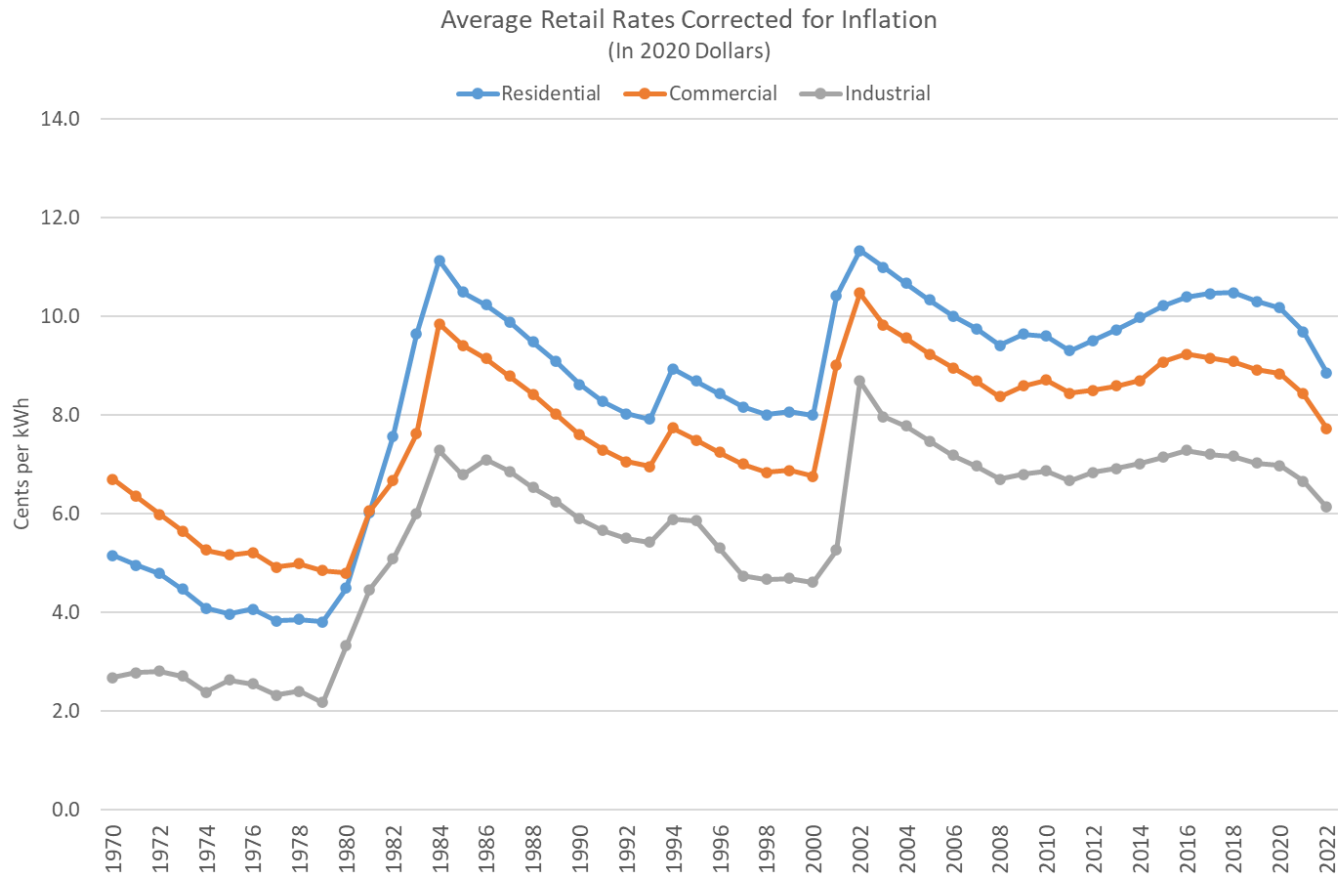
- ❑ Board policy direction has been to prudently manage costs and revenues to minimize general rate increases to the extent possible.
- ❑ The 2023 Budget and forecast presented to the Board demonstrated a need for a 2.0% General Rate increase effective April 1, 2023.
- ❑ Increase ranged from 0.4 – 5.9 percent by rate class depending on results of Cost-of-Service Analysis (COSA)

Previous COSA Results & Increases

	Current Revenue	Cost of Service	COSA Increase	Proposed Increase
Residential (Sch. 7)	\$386.4M	\$429.5M	11.2%	2.99%
Medium General Service (Sch. 20)	\$133.8M	\$106.3M	-20.5%	0.4%
Special Continuous Service ¹ (Sch. 23)	\$727K	\$1,231K	69.2%	5.9%
Time of Use (Sch. 24) (Legacy)	\$66K	\$70K	6.4%	2.1%
Small General Service (Sch. 25)	\$66.7M	\$61.7M	-7.5%	0.4%
Large Primary (Sch. 36)	\$30M	\$31M	3.1%	2.1%
Street Lighting (Sch. 1,3,4,5)	\$3.7M	\$4.7M ²	27.1% ²	2.1%
Overall	\$622.4M	\$634.4M	2.1%	2.1%

1. Unmetered service (pole attachments, cable TV amplifiers). One customer represents 67% of this rate class.
2. Lagging benefits of LED conversion not yet fully apparent in financial statements

Historical Perspective



Rate Pressures and Mitigations

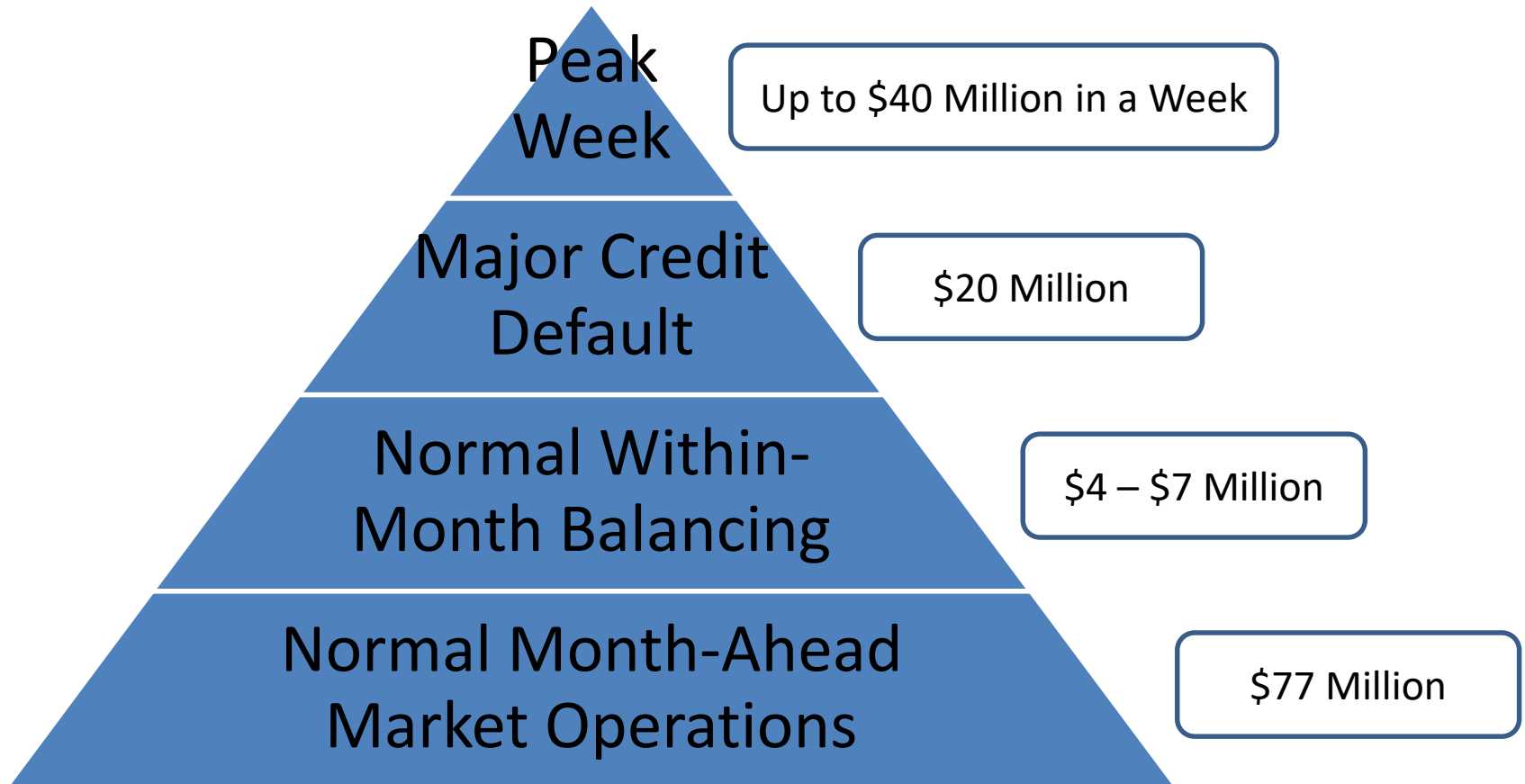
Rate Pressures:

- Investment in Capital Expansion and Upgrade projects such as Sky Valley Switching Station, Stanwood to Camano 115kV Line, Twin City Substation, etc.
- North County Community Office Facilities
- Higher wholesale power market purchases and risk levels due to high prices and uncertainty
- High materials costs and supply chain issues

Mitigations:

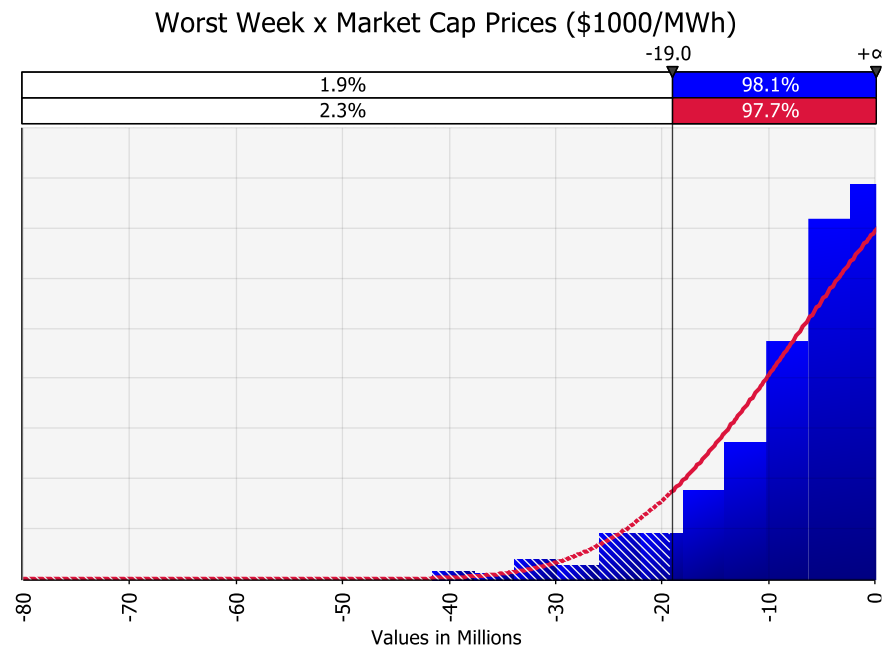
- Wholesale energy sales could increase due to higher prices
- Continued use of reserve funds
- Bonding continues to be used to finance qualified capital projects
- Long-term benefits of Connect Up
- The District has reduced costs where possible - continuing the legacy of prudent cost management

Market Volatility Risk Profile



Worst Week at Maximum Prices

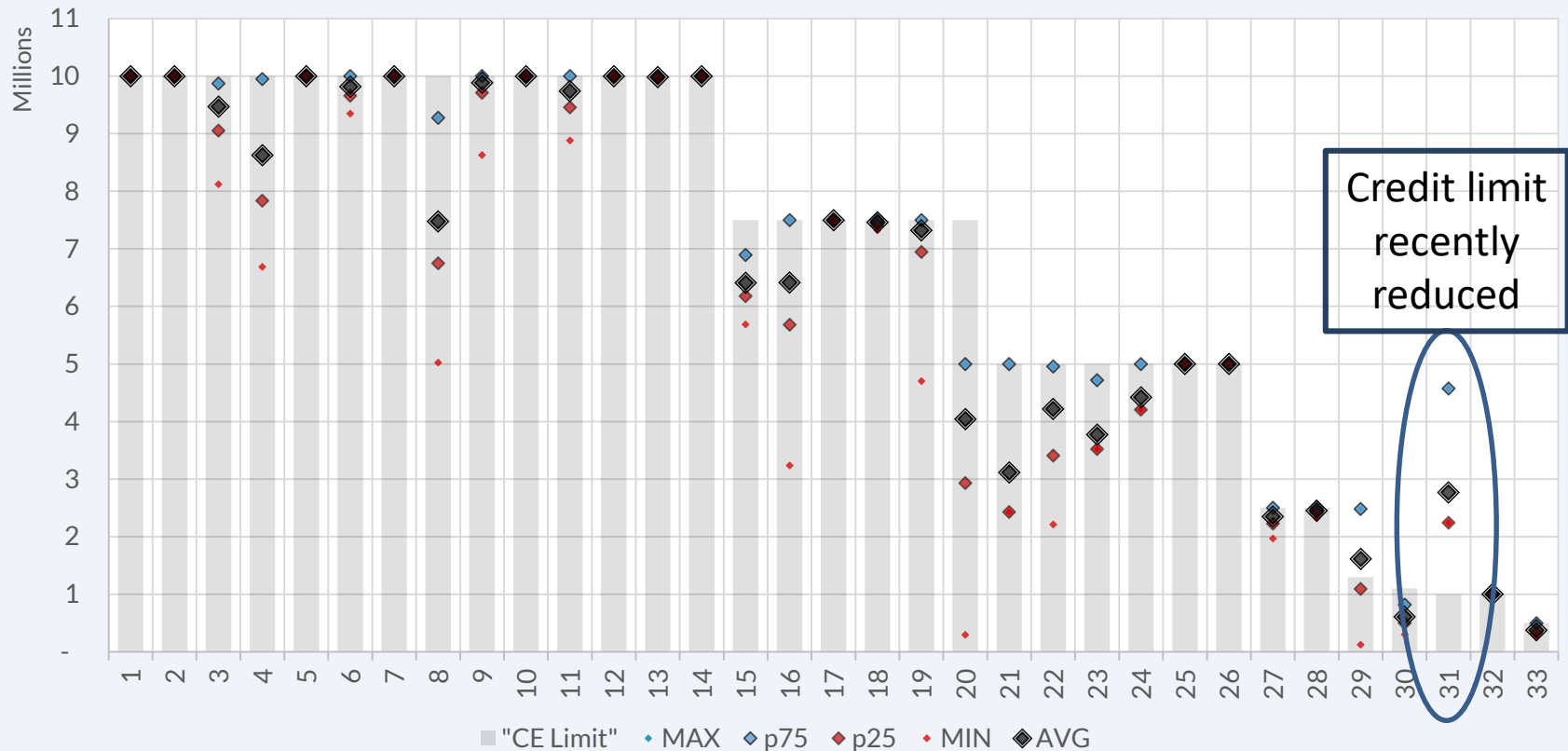
Year	Week	Net Position (over Week, MWh)	Calculated Purchases @Peak Prices
1955	46	-41,607	-\$41,606,938
1955	9	-41,142	-\$41,142,298
1952	48	-39,115	-\$39,115,330
1955	10	-38,079	-\$38,079,130
2008	51	-36,083	-\$36,082,694
1950	3	-34,326	-\$34,326,393
1985	48	-34,017	-\$34,016,928
1985	47	-32,142	-\$32,142,321
1955	11	-31,852	-\$31,851,804



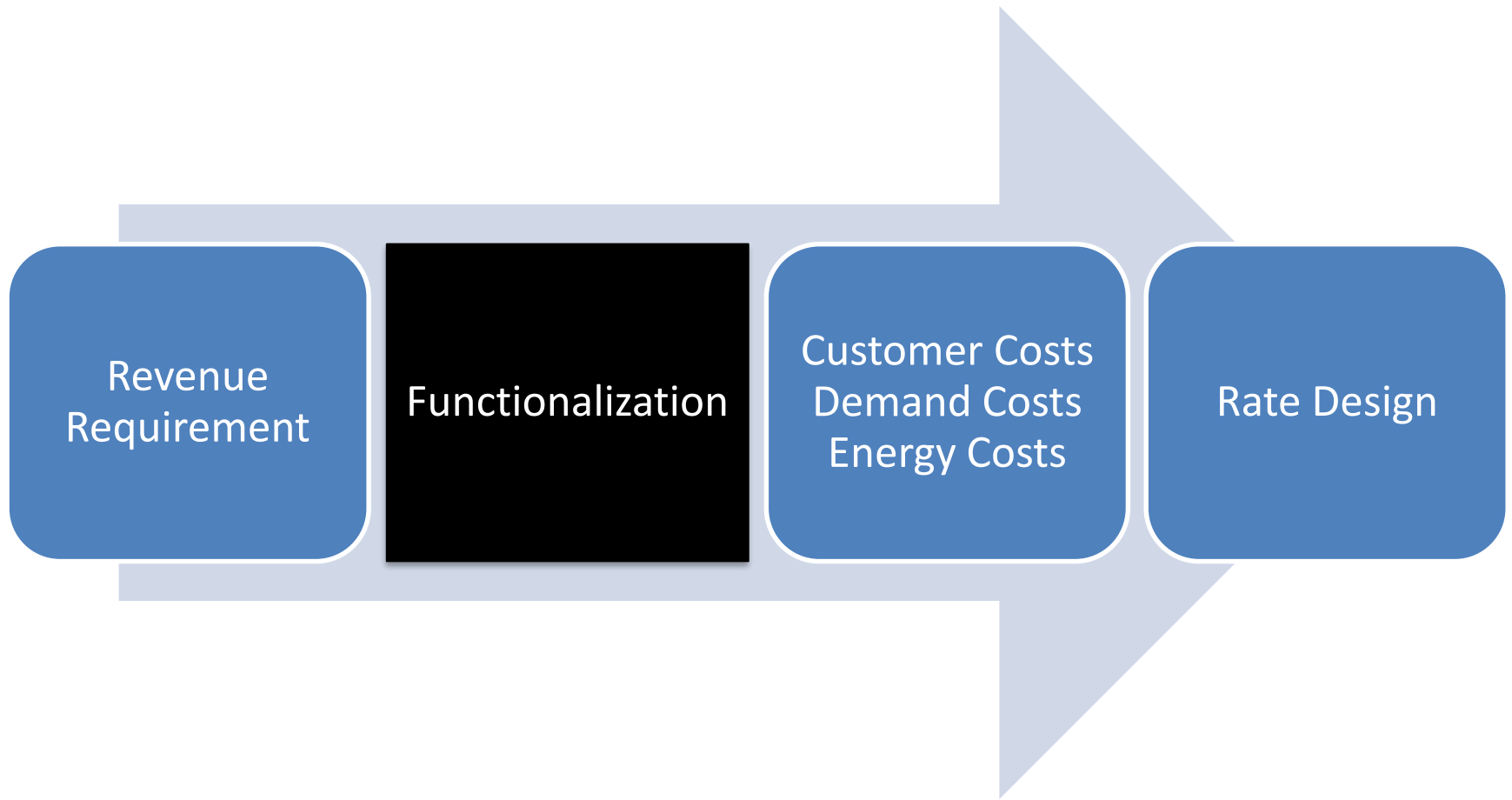
Assuming worst-case market conditions, 1955 would have incurred over \$150 million in market purchases to serve 4 weeks

Counterparty Default

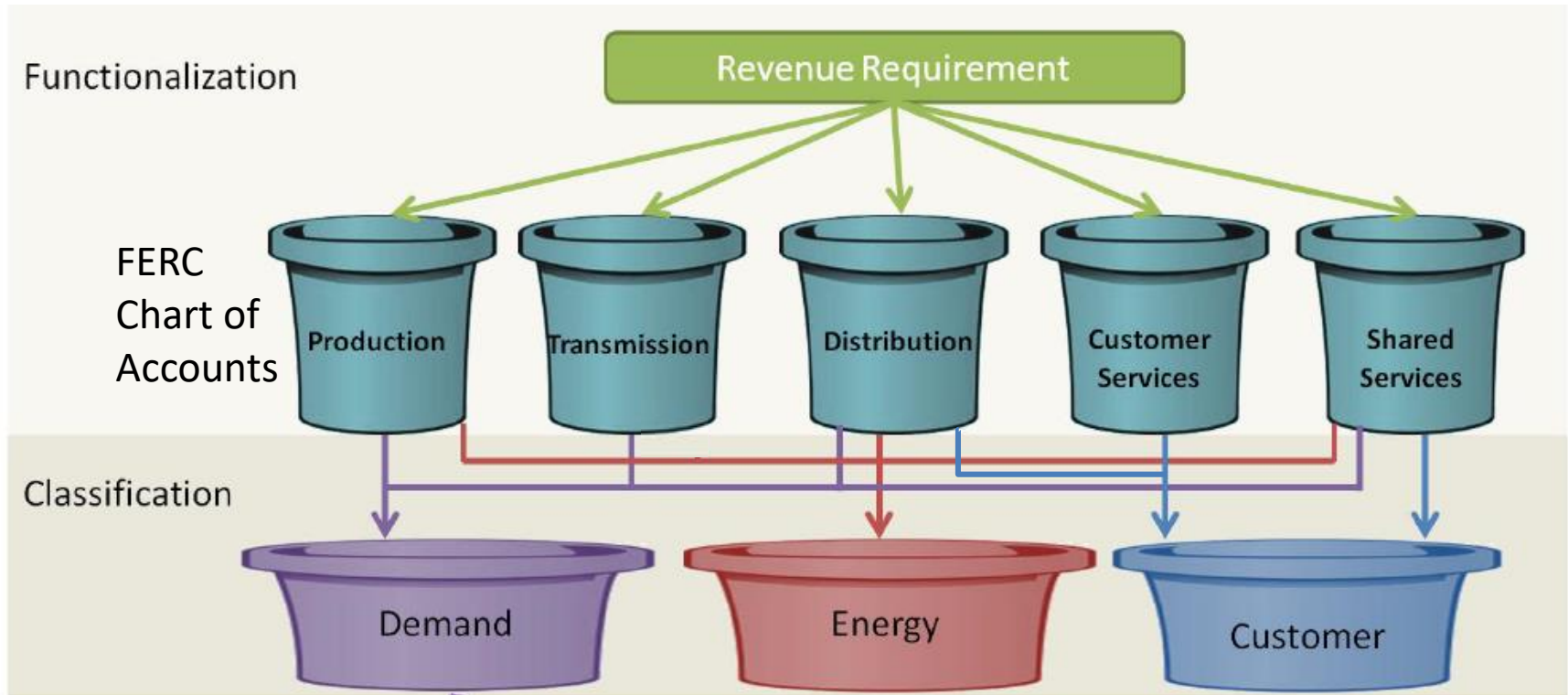
Current Exposure History: 2022-08-02 - 2022-12-08



Cost Allocation



Functionalization



Functionalization Cont.

A mix of strategies to allocate a mix of expenses

❑ Plant is allocated based on type:

- ❑ Generation is part capacity, part energy
- ❑ Transmission is capacity
- ❑ Distribution is allocated by rate class voltage
 - ❑ Part fixed, Part capacity

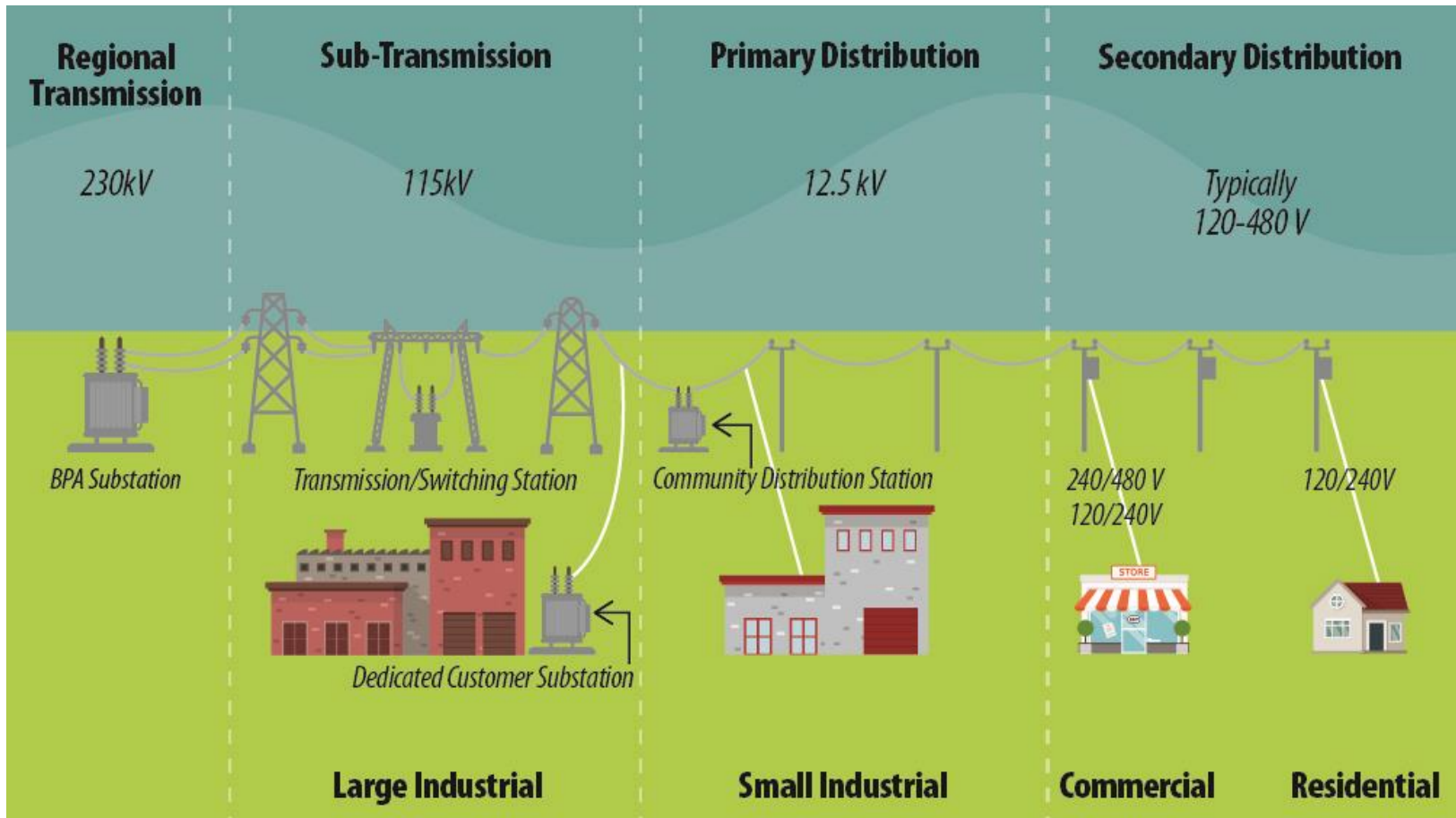


❑ Administrative & General is Allocated by Purpose

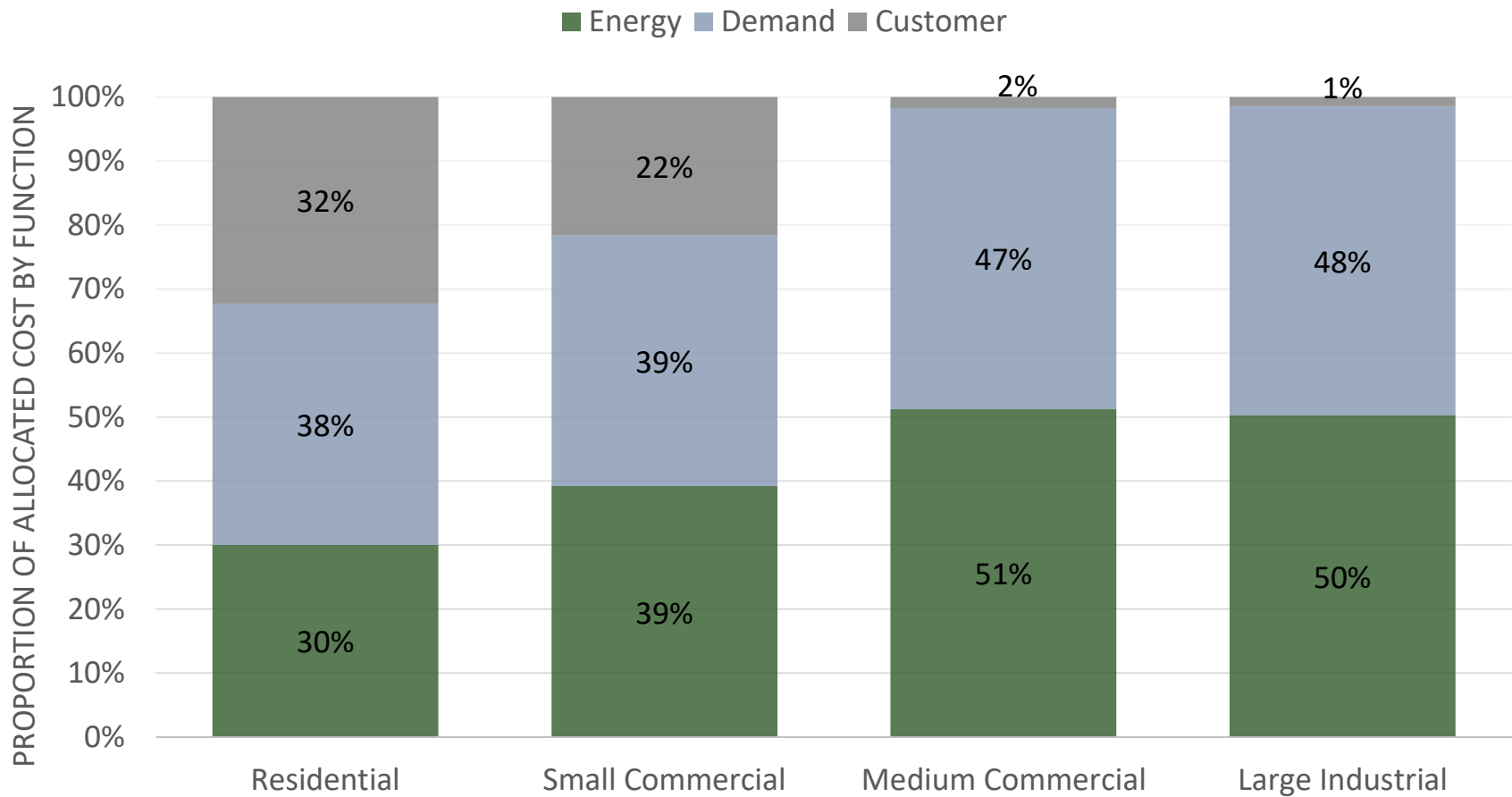
❑ Weighting Where Appropriate

- ❑ Larger customers take more time, money to serve and administer

How We Assign Distribution Costs



Functionalization by Rate Class



COSA Results & Recommendation

	Current Revenue	Cost of Service	COSA Increase	Proposed Increase
Residential (Sch. 7)	\$384M	\$440M	14.5%	3%
Medium General Service (Sch. 20)	\$139M	\$104M	-25%	0.3%
Special Continuous Service ¹ (Sch. 23)	\$796K	\$1.3M	64%	5.0%
Time of Use (Sch. 24) (Legacy)	\$69.7K	\$70.4K	1%	2.0%
Small General Service (Sch. 25)	\$69M	\$61M	-12.5%	0.3%
Large Primary (Sch. 36)	\$28M	\$27M	-3%	0.3%
Street Lighting (Sch. 1,3,4,5)	\$3.8M	\$4.5M ²	19% ²	2%
Overall	\$625M	\$638M	2.0%	2.0%

1. Unmetered service (pole attachments, cable TV amplifiers). One customer represents 67% of this rate class.
2. Lagging benefits of LED conversion not yet fully apparent in financial statements

Residential Base Charge

- ❑ Current base charges were calculated back in 2018
- ❑ Since then, the cost of goods has risen about 20%
- ❑ Updated wire, transformer, and meter prices along with design specs have shifted costs among the various service sizes
- ❑ Large and Extra-Large sizes are most impacted – recommend correcting these now while there are still *very few* customers in these categories



Proposed Residential Rates (Sch. 7)

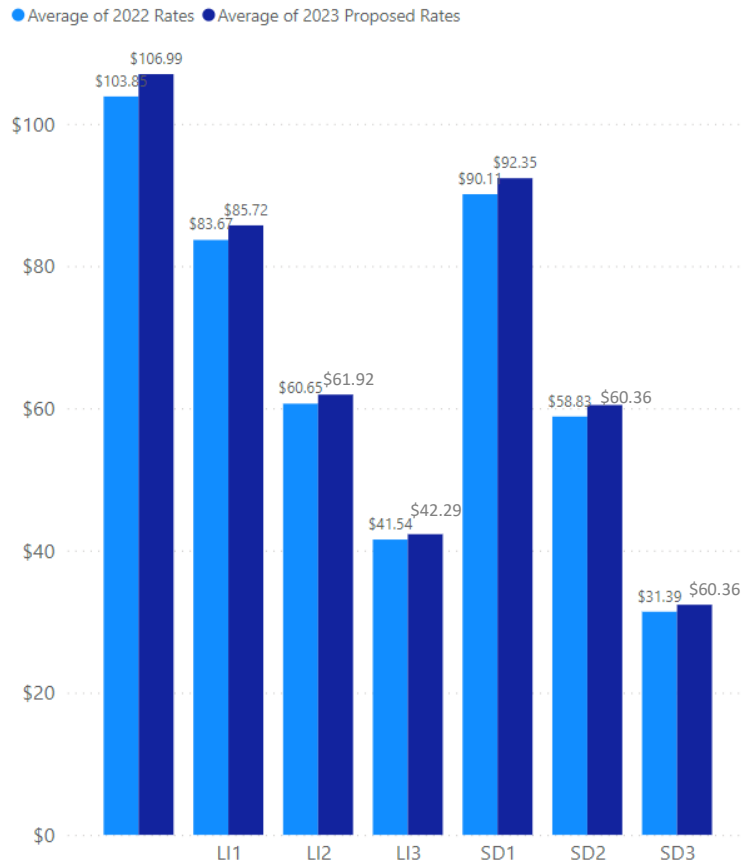
Accelerate the rollout of the base charge to have it done in 2024

- Staff is concerned that messaging redesign effort at the same time as Connect Up is going live would be challenging, drive large call volumes. Could be avoided if redesign were completed prior to 2025.
- Update “final” base rates to reflect updated math
- 99.99% of customers’ bills would rise between \$0 and \$8 per month
 - The few customers with jumbo-sized services installed or upgraded after April ‘22 would see bills rise \$8 - \$15
 - Single digit percentage of bills would be net reduction from slightly reduced energy rate

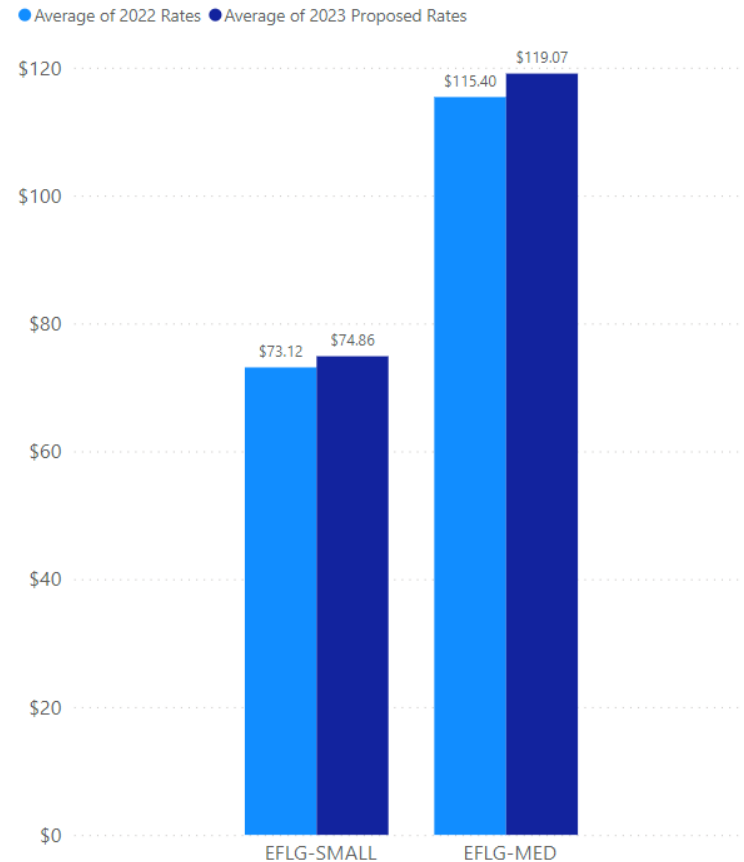
Effective Date	Small (\$/Day)	Medium	Large	Extra Large	Minimum Bill (\$/Day)	All kWh (\$/kWh)
Today’s Rates	\$0.08	\$0.10	\$0.11	\$0.16	\$0.53	\$0.10470
April 1, 2023	\$0.16 \$0.22	\$0.19 \$0.34	\$0.22 \$0.47	\$0.32 \$0.76	\$0.53	\$0.10174 \$0.10140
April 1, 2024	\$0.24 \$0.36	\$0.29 \$0.58	\$0.34 \$0.83	\$0.48 \$1.35	NA	\$0.09878 \$0.09475

Impacts by Discount Code and Service Size

Average Monthly Bill by Discount Code



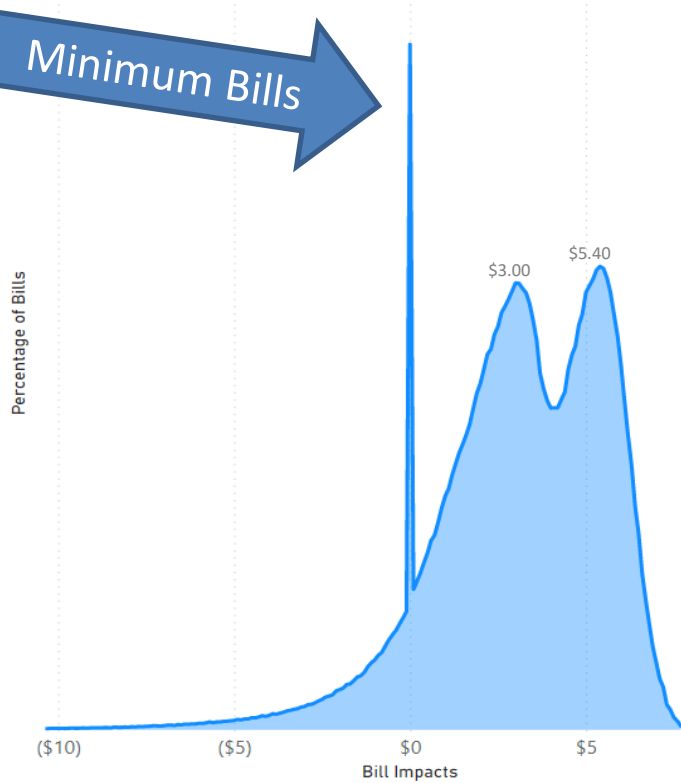
Average Monthly Bill by Service Size



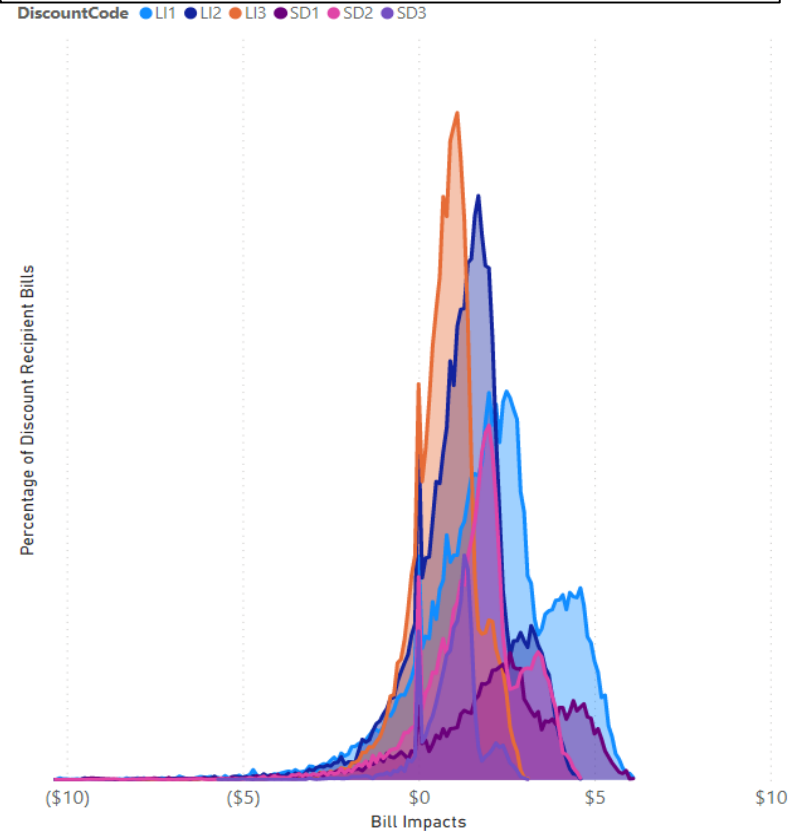
*Discount programs have since been consolidated to 2 levels

Bell Curve of Bill Impacts

Non-Discount Bill Impacts



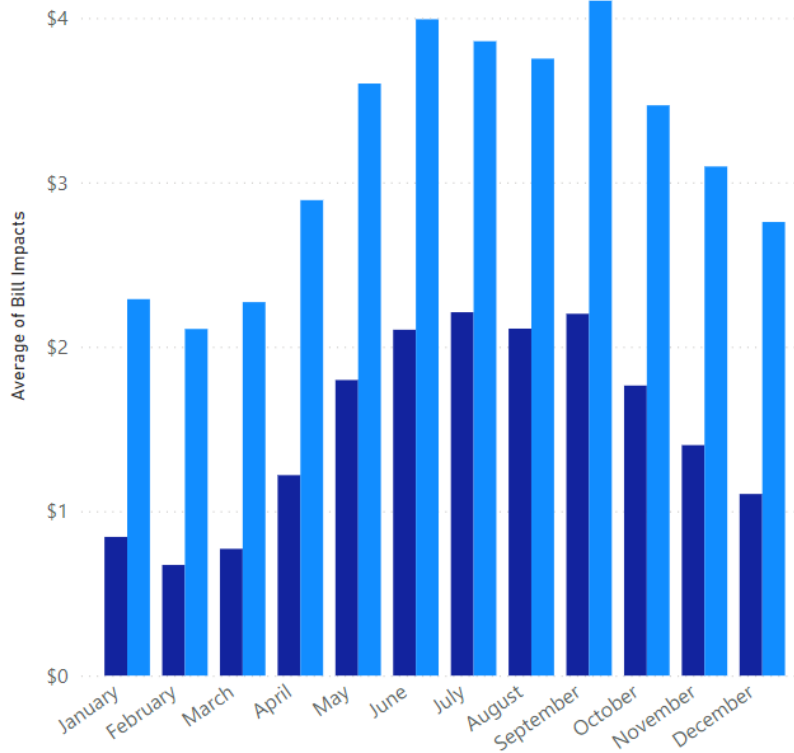
Discounted Bill Impacts



Average Monthly Impact

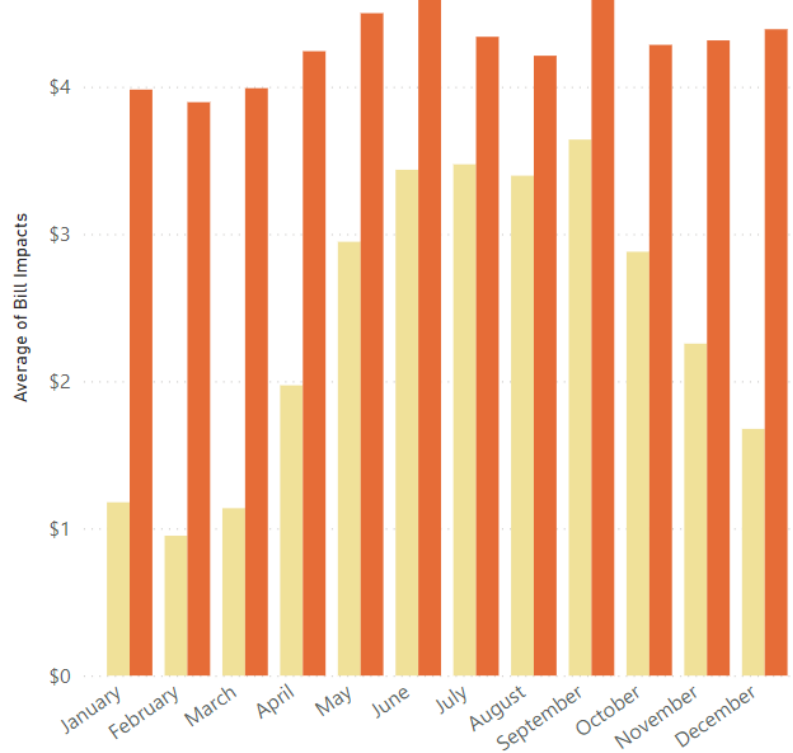
● Discount ● No Discount

Discount Status

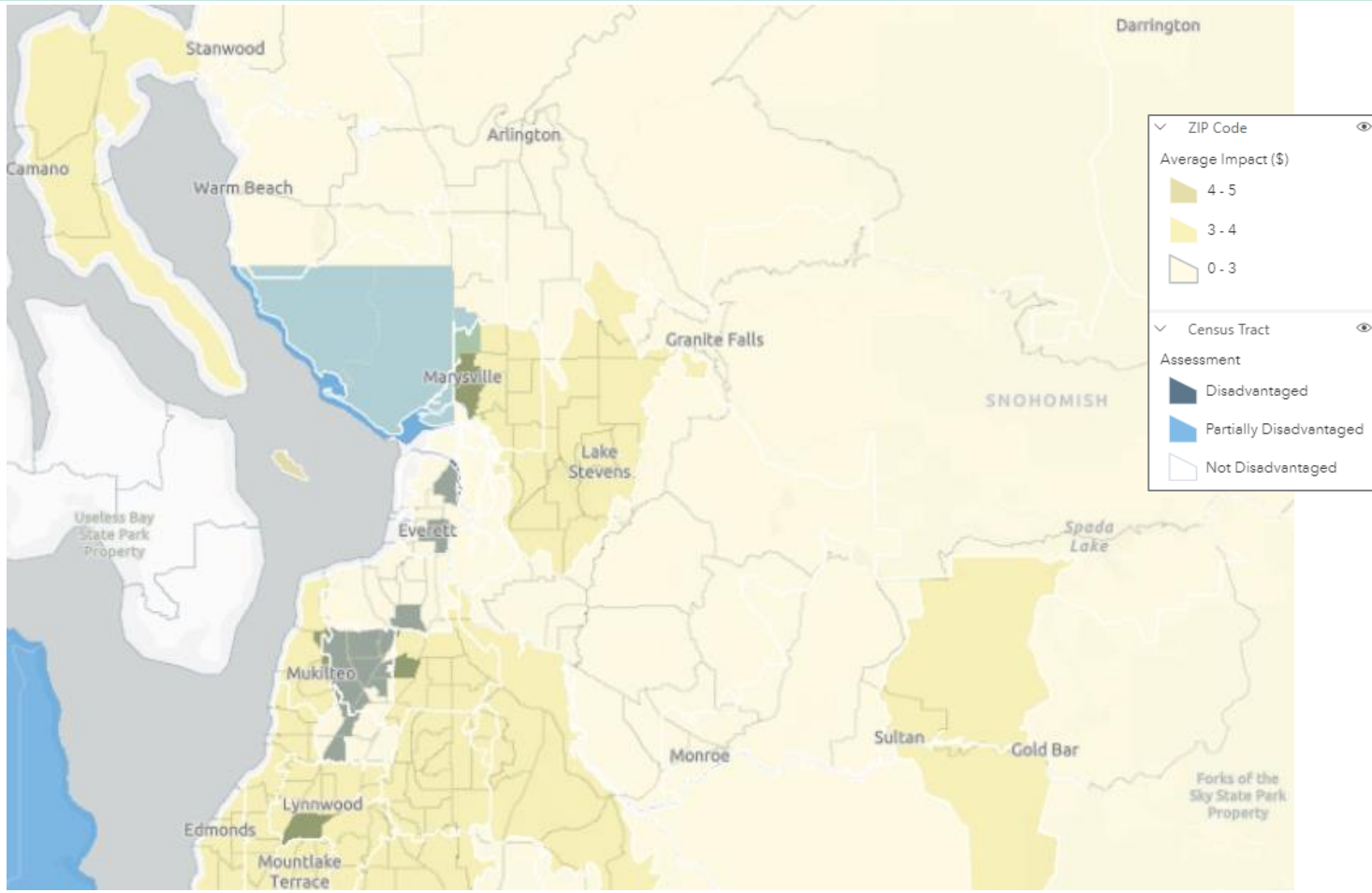


● Electric ● Non-Electric

Primary Heat Type



Average Monthly Impact by Area



Small General Service (Sch. 25)

- ❑ COSA model indicates adequate base charge
 - ❑ Existing minimum kW charge is adequate
- ❑ Fractional increase to kWh rate achieves .3% rate increase

Effective Date	Base Charge	All kWh	Minimum Bill \$/Day + \$/kW/Day	
Today's Rates	\$0.49	\$0.0896	\$0.70	\$0.02066
Jan 1, 2023	\$0.58	\$0.0885	\$0.75	\$0.01707
April 1, 2023	\$0.58	\$0.0888	\$0.75	\$0.01707

Medium General Service (Sch. 20)

- ❑ Large commercial and industrial customers. Average monthly bill is over \$20k
- ❑ COSA model supports continued increases to the Base Charge
 - ❑ Energy rate continues to be above cost of service
 - ❑ Demand and Minimum kW charges are adequate

Effective Date	Base Charge	1st 30,000 kWh	kWh >30,000	Demand (>100kW)	Minimum Bill \$/Day + \$/kW/Day	
Today's Rates	\$0.81	\$0.0896	\$0.0714 (-1c)*	\$5.95	\$1.02	\$0.02066
Jan 1, 2023	\$1.00	\$0.0885	\$0.0725 (-2c)*	\$6.66	\$1.17	\$0.01707
April 1, 2023	\$1.35	\$0.0888	\$0.0725 (-2c)*	\$6.66	\$1.52	\$0.01707

*Spring Discount
Effective April - June

Unmetered Service (Sch. 23)

- ❑ Sch. 23 serves pole attachments such as cable TV amplifiers with the largest two customers representing 67 and 22 percent of annual revenues.
- ❑ COSA supports higher Base Charge
- ❑ Recommend aligning kWh charge with Sch. 25

	Base Charge	All kWh
Today's Rates	\$0.33	\$0.0885
April 1, 2023	\$0.37	\$0.0888

Large Primary Service (Sch. 36)

- ❑ Serves the six largest commercial and industrial customers.
- ❑ COSA model supports continued increases to the Demand Charge
 - ❑ Energy rate continues to be above cost of service

Effective Date	All kWh	All Demand
Today's Rates	\$0.0586	\$4.66 /kW
April 1, 2023	\$0.0586	\$4.78 /kW

Bill Impact Summary

	<u>Sch. 7</u>	<u>Sch. 20</u>	<u>Sch. 23</u>	<u>Sch. 24</u>	<u>Sch. 25</u>	<u>Sch. 36</u>
PROPOSED INCREASE	3.0%	0.3%	5.0%	2.0%	0.3%	0.3%

ANNUAL BILLS

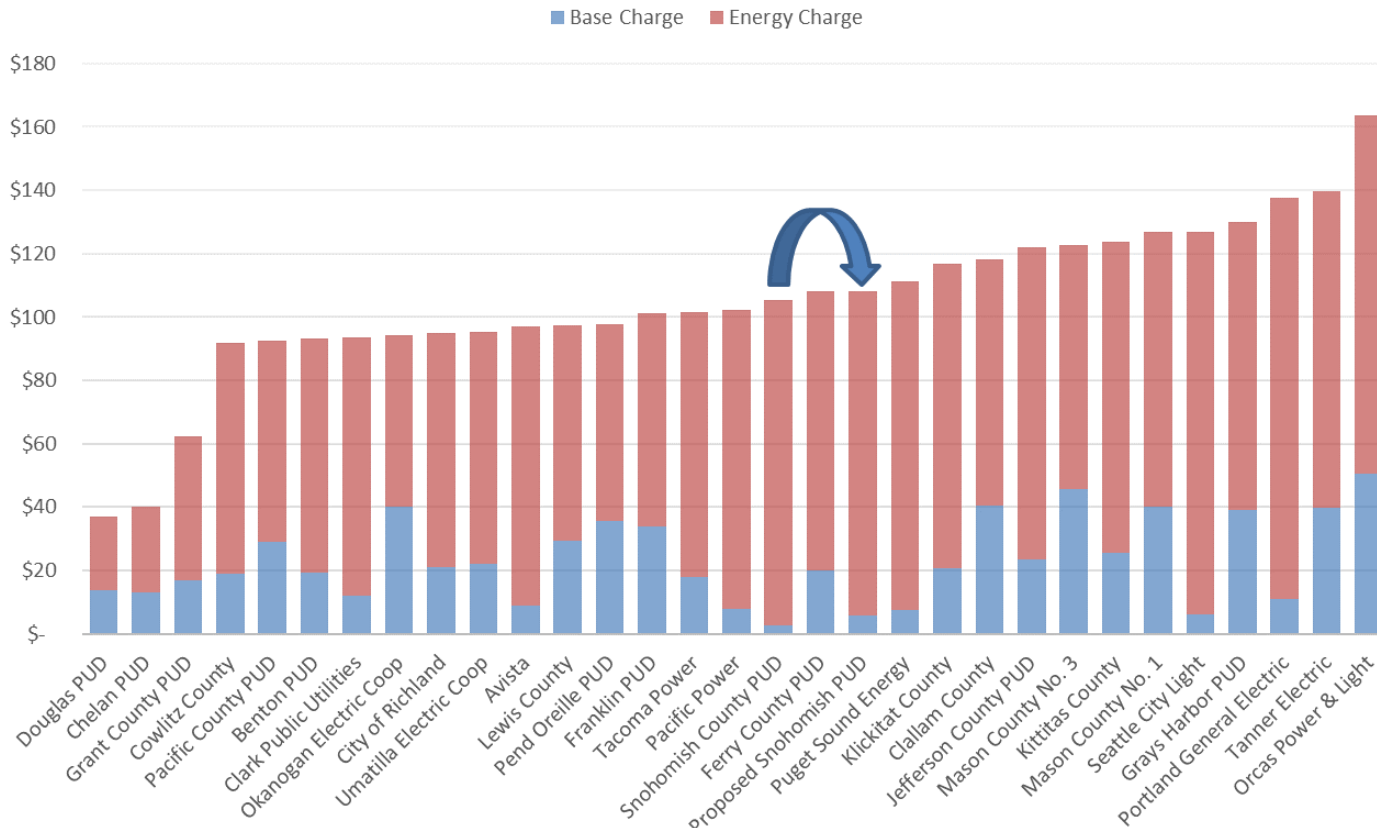
<i>At Current Avg Rates</i>						
Average Customer	\$1,186	\$21,169	\$150	\$61,773	\$966	\$6,831,553
Low User	\$722	\$4,234	\$50	\$44,124	\$97	\$1,366,311
High User	\$1,547	\$84,674	\$800	\$79,423	\$7,727	\$34,157,766
<i>At New Rates</i>						
Average Customer	\$1,221	\$21,232	\$158	\$63,009	\$969	\$6,852,048
Low User	\$743	\$4,246	\$53	\$45,006	\$97	\$1,370,410
High User	\$1,593	\$84,928	\$840	\$81,011	\$7,751	\$34,260,239

MONTHLY BILL IMPACT

Average Customer	\$3	\$5	\$1	\$103	\$0	\$1,708
Low User	\$2	\$1	\$0	\$74	\$0	\$342
High User	\$4	\$21	\$3	\$132	\$2	\$8,539

Bill Comparison

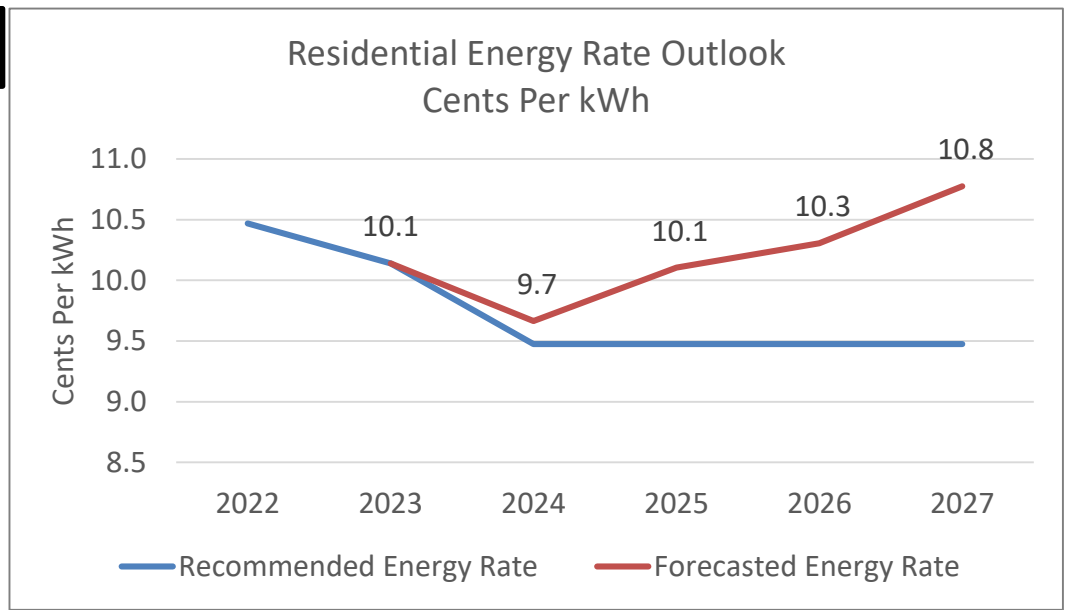
RESIDENTIAL TYPICAL BILL COMPARISON (1,000 KWH)



Residential Rates Outlook

- ❑ Solar installers have requested a forecast of residential rates to assist their communications.
- ❑ Current rate schedules show ongoing decreases to energy rate; not reflective of likely reality.
- ❑ All numbers below are predictions based on currently-available information. Nothing is official until approved by the commission.
- ❑ Expect that rates will roughly track with inflation beyond 2026.

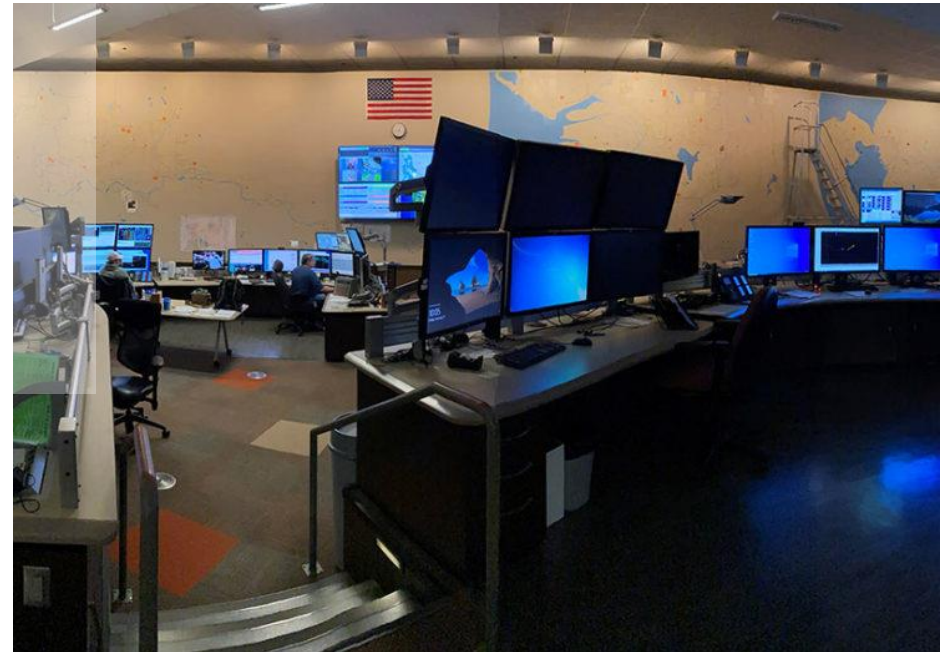
Best-Guess Estimates		
Budget Year	General Increase	BPA Pass-through
2023	2.0%	0%
2024	2.0%	
2025	2.0%	2.5%
2026	2.0%	
2027	2.0%	2.5%*



*Placeholder – No Information Available At This Time

Next Steps

- ❑ January 10, 2023 - Commission Consideration
- ❑ Communications
- ❑ April 1, 2023 - Implementation



Questions?

Appendixes

Time of Use Service (Sch. 24)

- ❑ Schedule 24 serves a single customer and is no longer open to new entrants
- ❑ Energy and base rate changes are reflective of similar changes in Schedule 20
- ❑ COSA supports continued increases to the demand rate as it is 100% on-peak

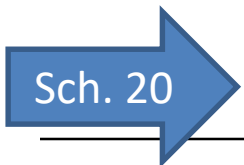
Effective Date	Base Charge	1st 30,000 kWh	kWh >30,000	Demand ² (>100kW)	Minimum Bill \$/Day + \$/kW/Day	
Today's Rates	\$0.81	\$0.0896	\$0.0714 (-1c) ¹	\$12.32	\$1.02	\$0.02066
Jan 1, 2023	\$1.00	\$0.0885	\$0.0725 (-2c) ¹	\$13.95	\$1.17	\$0.01707
April 1, 2023	\$1.35	\$0.0888	\$0.0725 (-2c) ¹	\$15.70	\$1.52	\$0.01707

¹Spring Discount Effective April – June

²Demand only measured 7AM – 11AM

3rd-Party EV Fast Chargers (Schedule 20EV)

Year	Base Charge	First 30,000 kWh	All Other kWh	Spring Discount	Demand (> 100kW)
April, 2023	\$1.00 \$1.35	\$0.0885 \$0.0888	\$0.0853	\$0.004	\$1.33/kW
2024	\$1.00 \$1.35	\$0.0885 \$0.0888	\$0.0837 \$0.0839	\$0.006	\$2.00/kW
2025	\$1.00 \$1.35	\$0.0885 \$0.0888	\$0.0821 \$0.0823	\$0.008	\$2.66/kW
2026	\$1.00 \$1.35	\$0.0885 \$0.0888	\$0.0805 \$0.0807	\$0.010	\$3.33/kW
2027	\$1.00 \$1.35	\$0.0885 \$0.0888	\$0.0789 \$0.0790	\$0.012	\$4.00/kW
2028	\$1.00 \$1.35	\$0.0885 \$0.0888	\$0.0773 \$0.0774	\$0.014	\$4.66/kW
2029	\$1.00 \$1.35	\$0.0885 \$0.0888	\$0.0757 \$0.0758	\$0.016	\$5.33/kW
2030	\$1.00 \$1.35	\$0.0885 \$0.0888	\$0.0741	\$0.018	\$5.99/kW
2031	\$1.00 \$1.35	\$0.0885 \$0.0888	\$0.0725	\$0.020	\$6.66/kW



Residential Rates (Sch. 7) At Existing Redesign Schedule

Continue 5-year ramp of the base charge AND build the higher base charge be the rate increase

- Update prices to reflect updated math. Changes felt most heavily in out-years
- VERY easy messaging: 99.99% of customers' bills are going up roughly \$2 - \$4 per month
 - Customers with jumbo-sized services installed or upgraded after April 2022 could see bills rise \$5 - \$9
- Steady energy rate means no impacts to the investment value of energy savings in 2023

Effective Date	Small (\$/Day)	Medium	Large	Extra Large	Minimum Bill (\$/Day)	All kWh (\$/kWh)
Today's Rates	\$0.08	\$0.10	\$0.11	\$0.16	\$0.53	\$0.10470
April 1, 2023	\$0.16 \$0.15	\$0.19 \$0.22	\$0.22 \$0.29	\$0.32 \$0.46	\$0.53	\$0.10174 \$0.10470
April 1, 2024	\$0.24 \$0.22	\$0.29 \$0.34	\$0.34 \$0.47	\$0.48 \$0.76	\$0.53	\$0.09878 \$0.10174
April 1, 2025	\$0.32 \$0.29	\$0.38 \$0.46	\$0.45 \$0.65	\$0.64 \$1.05	\$0.53	\$0.09583 \$0.09878
April 1, 2026	\$0.40 \$0.36	\$0.48 \$0.58	\$0.56 \$0.83	\$0.80 \$1.35	NA	\$0.09287 \$0.09475

Western Resource Adequacy Program Update and Phase 3B Work Order Briefing

Garrison Marr, Senior Manager Power Supply
Jeff Kallstrom, Assistant General Counsel
December 20, 2022

Prior Briefings: October 20, 2020, September 7, 2021, and November 15, 2022



Presentation Overview

Agenda

- Refresher on Western Resource Adequacy Program (WRAP) status
- Update on new developments
- Staff's recommendation to execute Work Order, Memorandum of Understanding (MOU), and Non-Disclosure Agreement (NDA)

For Commission:

- Staff have prepared an afternoon resolution to execute Work Order, MOU, and NDA to support WRAP program



Background on the Western Resource Adequacy Program (WRAP)

- WRAP is a regional effort to address capacity concerns by creating consistent planning standards and access to a capacity resource pool across participants in the Western United States.
- The District has participated in the development of the WRAP program through all development phases and supported the tariff filing with the Federal Energy Regulator Commission (FERC).
- The program is transitioning from a development phase, to a participation phase.



Expected WRAP benefits

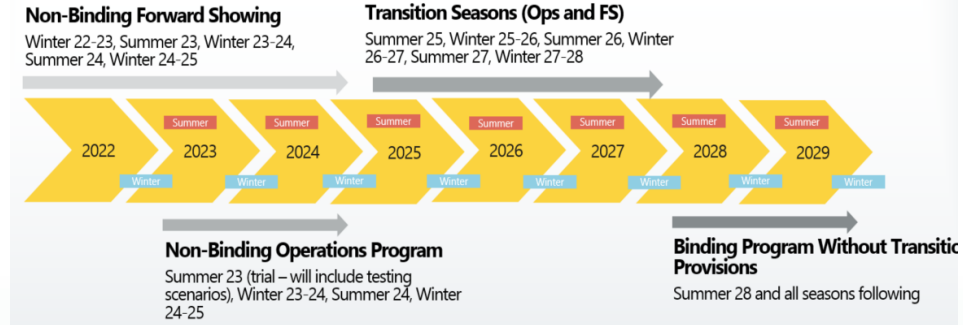
- Once the program is mature and has robust participation, staff analysis finds the program is likely the least-cost path to meeting a 1-in-10-year Loss-of-Load-Expectation risk threshold, which is industry standard, due to the regional diversification of the resource pool available to participants.
- The program is also expected to produce new capacity markets for participants that can provide new options for the District.
- WRAP may also become a component of future organized markets to ensure resource sufficiency.
- However, the program must have robust, binding participation to realize these benefits.



The Participation Transition is complicated

- **Binding operations allow for resource sharing and create value.**
- **Participants may choose different binding seasons**, and many participants/potential participants, including BPA, have indicated they will choose 2027 or 2028.
- **Utilities can participate in the program prior to binding season** to fund and further develop program. BPA plans to do this through a non-conforming agreement that will need FERC approval.
- Participation agreements **require 2 years of funded participation.**
- District staff would like to ensure the program's tariff filing and BPA's non-conforming agreement are **approved by FERC before committing to District participation.** This is expected by Spring 2023.
- District staff recommend the District **not elect a binding season before BPA** in its potential participation agreement.

TRANSITION TIMELINE



WRAP Updates

- FERC has not yet issued a decision on the tariff because there are areas to resolve. This leaves a potential funding gap between December 31, 2022, and when FERC approves the tariff.
- Western Power Pool (WPP) funding support to continue to develop WRAP towards FERC approval is in jeopardy without interim support.
- WPP has agreed to allow the District to enter Work Order, MOU, and NDA without concurrently signing Participation Agreement, to allow PUD certainty that BPA's Participation Agreement and WRAP tariff will receive FERC approval.
 - This is amenable to staff, and allows District to steer final, critical development efforts for transition to next leg of program.



Next Steps

- Staff recommend adoption of Resolution to allow District to execute stop-gap WRAP Work Order, MOU and NDA this afternoon.
- Staff expect to be back at Commission in Spring 2023.
- Staff will continue operational preparations as if the District could become a binding WRAP participant as early as November 2025.





2021 Water System Plan Update

Karen Heneghan, Principal Engineer

December 20, 2022

Last Presented: October 19, 2021



Purpose

Present revised draft of 2021 Water System Plan (WSP)

Expectations of the Board

Review updated draft WSP to prepare request approval at next Commission meeting

No action today

Next Steps

January 10, 2023, Public Hearing and Action

Consider Resolution Authorizing Approval of the District's 2021 WSP





2021 Water System Plan Preparation Timeline

2020

- District began WSP update

October 19, 2021

- Presented Draft to Commission

2022 Government Review

- February 2022 - Water System Plan (WSP) submitted to Washington Department of Health (DOH)
- March 2022 – DOH acknowledged receipt
- April 2022 – Determination of Nonsignificance (DNS) issued for environmental review
- Received Local Government Consistency reviews
 - From cities where PUD provides water service
 - From Snohomish County for unincorporated areas
- Department of Ecology review letter, May 2022
- DOH review letter, August 2022

July-December 2022

- Prepared response to comments and revised WSP

December 20, 2022

- Present Revised Draft WSP to Commission – **Today**

January 10, 2023

- Seek Commission approval of final WSP (required before DOH will approve)

January 2023

- Submit final WSP to DOH
- Await DOH Approval

8-9 years after DOH Approval

- Start the next 10-year update



Updated Draft 2021 WSP Document

- Location of document

www.snopud.com/waterplan

- Web Page Layout

- One document for main body of plan
- Separate links to appendices & copies of agreements

- October 2022 draft (replaced February 2022 draft)


- Minor edits still in the works, will not affect recommendations


- Final will be posted prior to January 10, 2023, Commission meeting




Purpose of Water System Plan

 Planning Resource for District Staff and Commission

 Document System History and Components

 10-year (2030) & 20-year (2040) plan for system improvements

 Financial impact of Capital Improvement Program

 Meet Regulatory Requirements

2021 Water System Plan Chapters

ES - Executive Summary

- 1 - Management, History & General Description
 - 2 - Service Areas & Policies
 - 3 - Adjacent Systems, Related Plans & Agreements
 - 4 - Existing Facilities
 - 5 - Planning Data & Demand Forecasting
 - 6 - Conservation / Water Use Efficiency
 - 7 - Facility Analysis
 - 8 - Source of Supply
 - 9 - Operations & Maintenance Overview
 - 10 - Water Quality & Compliance
 - 11 - Improvement Plan
 - 12 - Financial Plan
- Appendices



Front Matter of Document

- Acknowledgements (team effort)
 - **Murraysmith Engineering** (now named Consor Engineering), consultant for preparing the WSP
 - **Snohomish PUD Staff**, data collection, participation & review
 - **FCS Group**, financial consultant
- Acronyms & Abbreviations (thoroughly cross-checked)
- Table of Contents
 - Extensive navigation hyperlinks throughout document
 - Bookmarks in left panel



Executive Summary

Chapter-by-Chapter Overview

Added Table ES-1 summarizing water system capacities and most limiting component determined in Chapter 7 Facility Analysis

Table ES-1 | System Capacity Summary

Water System	Existing ERU Capacity ¹	Limiting Capacity Factor	Capacity Limiting Year	Corresponding CIP
Lake Stevens	28,237	Storage	2030	<ul style="list-style-type: none"> North Lake Stevens Tank Burn Road Tank Lake Roesiger Tank
Storm Lake Ridge	420	Storage	After approval period	N/A
Creswell	2,570	Supply Source	After approval period	N/A
May Creek	926	Storage	After approval period	N/A
Skylite	161	Water Right - Annual Capacity	After approval period	N/A
Sunday Lake	335	Supply Source	After approval period	N/A
Warm Beach	819	Storage	2020	<ul style="list-style-type: none"> Kayak Reservoir 2

Note:

1. Based on limiting capacity factor



1 - Management, History & General Description

- How was Snohomish PUD created?
- Why was the PUD created?
- What can the PUD do? (What rules must we follow?)
- How is PUD Water managed?
- What water systems does the PUD currently operate?
- What has PUD water accomplished since the last WSP?



1.1 - Authority and Management

- Snohomish PUD created by county-wide vote in 1936
- Municipal Corporation of Washington State
- Operate on a non-profit cost of service basis
 - An alternative to private for-profit utilities
 - Wider authority than city utilities
- Snohomish PUD's Territory:

Authorized to provide electric and water in all Snohomish County & Camano Island where not already served by other cities or districts



1.1 - Authority and Management

Rules:

- Revised Code of Washington (RCW) 54 Public Utility Districts
- Various other applicable federal, state and municipal codes
- **Policies and Procedures Manual for Administration of Water Services**
 - Appendix 1-1 contains current “Policy Manual”
 - Next presentation: Water Policy Update by Max Selin
 - Appendix 1-1 will be updated in final WSP if Commission authorizes updates to Policy Manual in a separate resolution at the January 10, 2023, meeting



1.1 - Authority and Management

Management:

- Board of Commissioners
 - Three members
 - Elected from separate commissioner districts
 - Staggered six-year terms
- Figure 1-1 PUD Leadership Team
 - Current Commissioners
 - CEO/General Manager
 - Leadership Team
- Figure 1-2 Water Utility

28 full time, budgeted, Water employees including 15 field staff, 5 Engineering positions, 5 Admin positions, 1 Water Superintendent, 1 Water Business Manager, and 1 Assistant General Manager



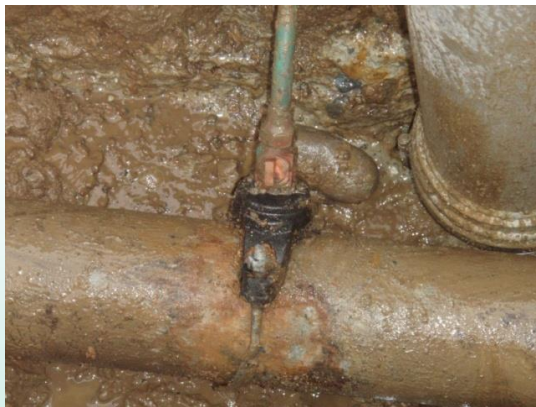
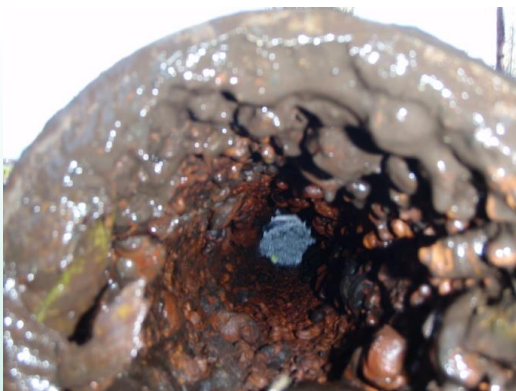
1.2 - History and Future

- Snohomish PUD began water operations in 1946
 - Acquired Beverly Park Water System
(now part of Everett)
 - Constructed Lake Stevens Water System
(still at the core of PUD Water Utility facilities)
- Lake Stevens system expanded through
 - Water main extensions by developers and
 - Consolidating with many other water systems
 - Now known at the Lake Stevens Integrated system in the WSP
- 8 Satellite Water Systems
 - Systems that joined PUD but are too far away to connect
 - Satellite Management Program provides mechanism for more systems to join the PUD



1.3 - Accomplishments Since the 2011 WSP

- Continued emphasis on replacement of aging water mains
- Table 1-2 Water Mains Constructed Since 2010
 - Over 40.8 miles of new pipe constructed
 - Over 16.8 miles of aging pipe replaced



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1.3 - Accomplishments Since the 2011 WSP

- Table 1-3 describes details of water projects
- Highlights:
 - Connected our Lake Roesiger and Pilchuck 10 systems into the Lake Stevens Integrated system.
 - Connected our Dubuque system into the Lake Stevens Integrated system
 - Purchased the North Lake Stevens Reservoir site for future storage needs
 - Acquired the Warm Beach Water System



2 - Service Areas and Policies

- Section 2.1 Background - Describes laws and policies that set requirements for water service area boundaries
- Water Service Area components
 - **Retail Service Area**, where PUD commits to a *duty to serve* new water connections according to the Municipal Water Law
 - **Future Service Area**, where PUD *plans* for providing future water service (but not a duty to serve new connections)
 - **Wholesale Service Area**, where PUD *sells water to other water systems*
 - **Existing Service Area**, where PUD *currently has water customers*
 - **Satellite Management Area**, where PUD can operate *water systems that are not physically connected to each other*



2 - Service Areas and Policies

“Duty to Serve” Requirement

- RCW 43.20.260 in Municipal Water Law
- Requires PUD to accept new connections in its Retail Water Service Area if
 1. Sufficient Capacity Exists
 2. Consistent with county/city land use plans & regulations
 3. Sufficient Water Rights Exist
 4. Service can be provided in a timely and reasonable manner
- Other WSP chapters support how PUD can satisfy numbers 1-3
- Section 2.4.1 describes criteria for satisfying “timely and reasonable” in #4

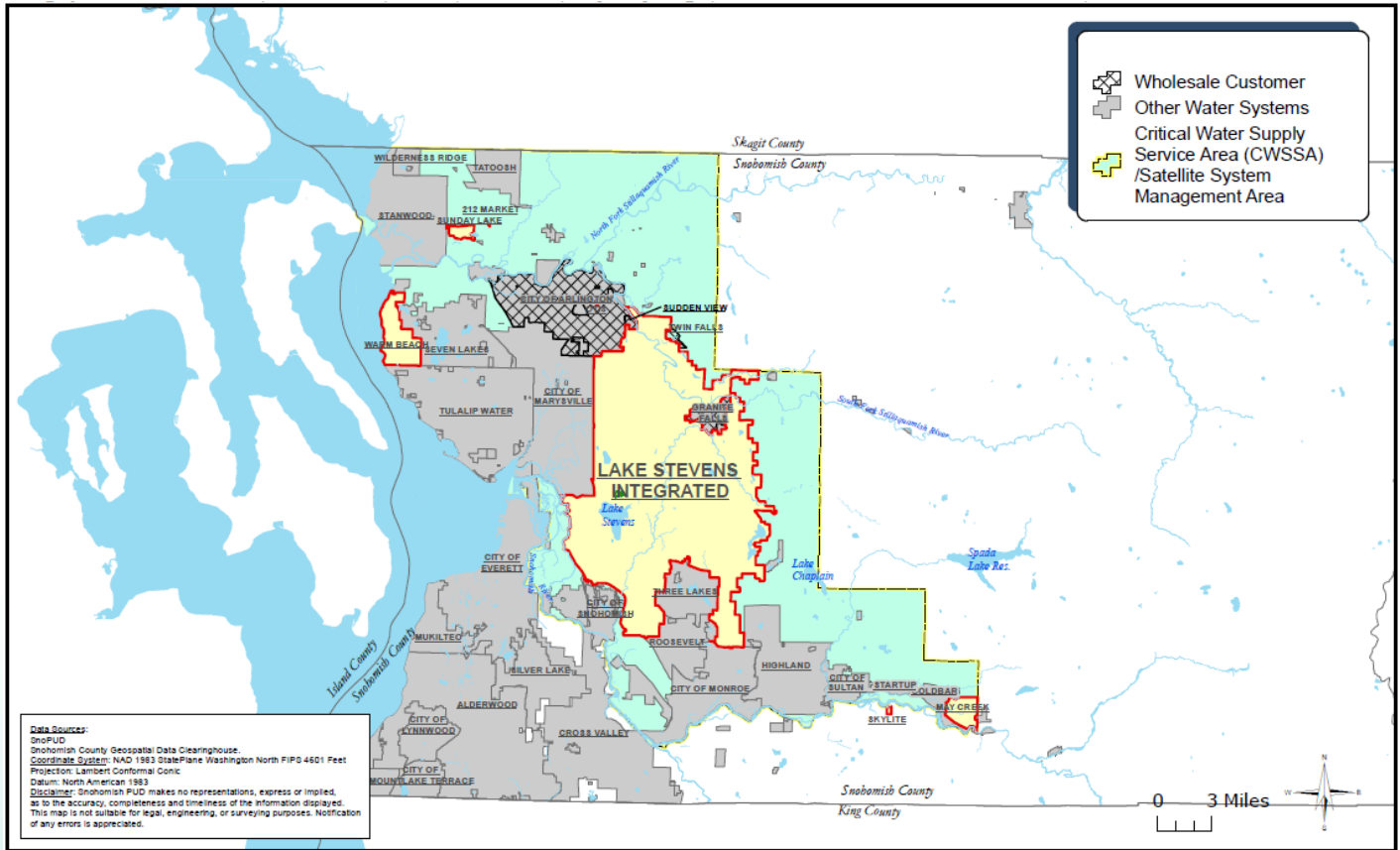


2.2 - District Water Service Area Adjustments

- Pulled back **Future Service Area** boundaries to where the PUD can reasonably plan to provide water service in the next 20 years & to match agreements with adjacent water utilities
- Adjusted **Retail Service Area** boundaries (inside the Future Service Area) to where PUD can meet “duty to serve” criteria
- Adjusted the **Existing Service Area** (inside the Retail Service Area) to where PUD currently has water pipes
- Pulled back the **Satellite Management Area** to match the county’s Critical Water Supply Service Area (CWSSA) plus the PUD’s Skylite system. This will not preclude the PUD from providing water service elsewhere; but will not suggest a commitment where PUD is less certain of the feasibility.

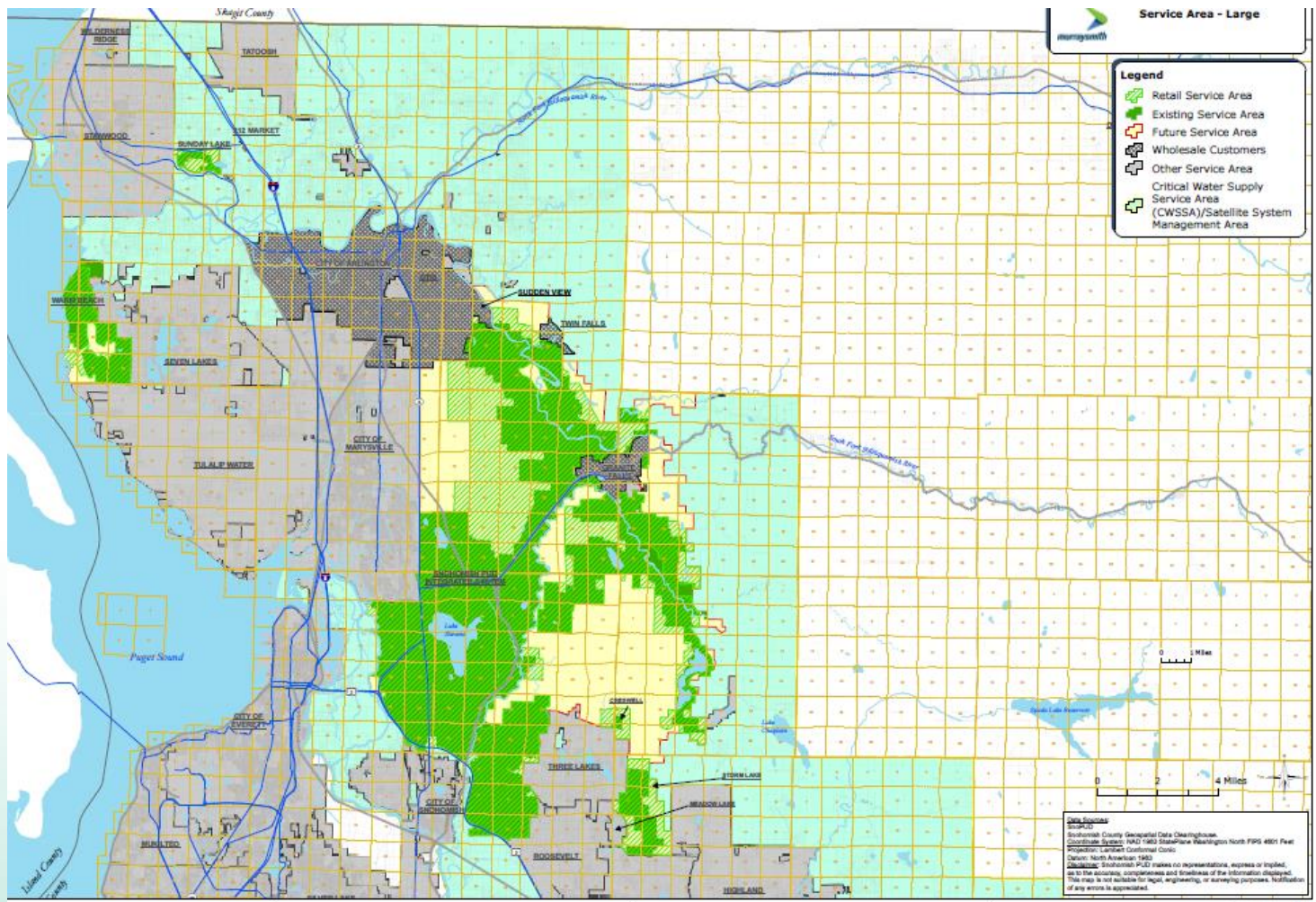


Figure 2-1
 Future Service Area (yellow)
 Satellite Management Area (green)
 Wholesale Service Areas (black hatched lines over grey)



 	<p>Snohomish County PUD 2021 Water System Plan Update</p>	<p>Figure 2-1 Proposed District Water Service Area</p>
--	--	---

Figure 2-2
 Additionally shows
 Retail Service Area (diagonal green lines)
 &
 Existing Service Area (dark green)



2.4 - Service Area Policies

2.4.1 “Timely and Reasonable” Water Service

- Describes typical PUD procedures for responding to new water service requests along with estimated time to for each step, to show how service is provided in a **timely** manner
- Table 2-1 describes scenarios where the PUD believes it is **reasonable** for a proposed new building or subdivision to hook up to the PUD’s watermains



2.4 - Service Area Policies

2.4.2 Receivership

- If a water system fails, state can place it into receivership with the county
- PUD can act as a water system receiver on behalf of Snohomish County
- The PUD's water service area boundaries take into consideration where it may be reasonable to serve as a receiver
- The PUD can refuse to act as a receiver and/or resign at its discretion



2.4 - Service Area Policies

2.4.3 Policy and Procedures Manual

- Describes Policy Manual that is included in the WSP as Appendix 1-1.

2.4.4 Other Key Service Area Policies

- Describes where policies that are recommended by DOH can be found in the WSP, including in the Policy Manual

2.4.5 Satellite System Management Program

- Describes PUD's program, which is also Section 4 of the Policy Manual



3 - Adjacent Systems, Related Plans and Agreements

- Chapter 3 describes adjacent water purveyors and their most recent water system plans
- Chapter 3 also summarizes agreements, such as
 - Everett Water Supply Agreements
 - North Snohomish County Joint Operating Agreements (JOA)
 - Wholesale Water Agreements
 - Miscellaneous service area agreements
- See next slide for list of agreements posted at www.snopud.com/waterplan



Agreements

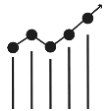
- ✎ 01 - 1960 Agreement PUD & Everett
- ✎ 02 - 1981 Amended Agreement PUD & Everett
- ✎ 03 - 2017 Amended Agreement PUD & Everett
- ✎ 04 - Everett Water Rates Ordinance
- ✎ 05 - N. Sno. Cty. Regional Water Supply JOA
- ✎ 06 - Everett & JOA Water Supply Agreement 2021
- ✎ 07 - Marysville 2003 Interlocal PUD Water Supply
- ✎ 08 - Gold Bar 11-4-13 Emergency Intertie Agreement
- ✎ 09 - 4770 Wholesale Water Agreement to Arlington
- ✎ 10 - Sudden View Wholesale Signed Agreement
- ✎ 11 - Seymour's Wholesale Signed Agreement
- ✎ 12a - 2020 Granite Falls Wholesale Final Executed
- ✎ 12b - GFAmend1 to 2009 Agreement Final Signed
- ✎ 13 - Snohomish Wholesale Executed
- ✎ 14 - Gold Bar Settlement Agreement
- ✎ 15 - Apps B-C Service Area and Agreements SNH 2020
- ✎ 16 - 2021 PUD May Creek Gold Bar Service Area Agreement
- ✎ 17 - Three Lakes Service Area
- ✎ 18 - Monroe Temporary Water Service Letter
- ✎ 19 - Signed 2011 Svc. Area Agreement - Roosevelt PUD Three Lakes and Meadow Lake
- ✎ 20 - Warm Beach-Kayak-Seven Lakes Service Area Agreement - all signatures
- ✎ 21 - Tulalip May Creek Agreement
- ✎ 22 - Sultan Pipeline Agreement
- ✎ 23 - 2006 Mutual Aid Agreement
- ✎ 24 - 2009 Intrastate Mutual Aid Agreement WARN



4 - Existing Facilities

- Approximately 22,185 connections in 9 separate water systems with the largest system, Lake Stevens Integrated, accounting for around 20,700 of those connections
- Approximately 252 million cubic feet of water sold in 2021 (1.88 billion gallons)
- 408 miles of pipelines
- 16 Reservoirs with approximately 15.5 million gallons of storage
- 12 booster pump stations
- 6 water supply pump stations
- 14 active well sites
- 4 water treatment plants
- Purchases most of its water from the City of Everett





5 - Planning & Demand Forecasting

- Reviewed historical water production, consumption and connection data 2010-2019.
- Puget Sound Regional Council (PSRC) growth rates were used along with historical growth in the PUD's water systems to determine expected growth.
- Growth rates selected for use in the WSP are shown on next slide
 - PSRC growth rates used for Lake Stevens system, which generally match historical growth
 - Lake Stevens PSRC growth rates are applied to Storm Lake and Creswell because those systems are planned to merge into the Lake Stevens system within the 20-yr planning period.
 - PSRC growth rates also used for Sunday Lake system
 - Projected growth for the May Creek, Skylite and Warm Beach systems are based on historical growth because PSRC projections did not seem accurate for those areas.
- Resulting water demand forecast used as basis for facilities analysis in Chapter 7.



Table 5-7 Summary of Growth by System

System	Historical Annual Growth Rate	Average Annual Growth Rate			
		2020-2025	2025-2030	2030-2035	2035-2040
Lake Stevens Integrated	1.85%	1.51%	1.31%	1.15%	1.16%
Storm Lake Ridge	3.81%	1.51%	1.31%	1.15%	1.16%
Creswell	0.04%	1.51%	1.31%	1.15%	1.16%
May Creek	1.92%	1.95%			
Skylite	0.13%	0.15%			
Kayak	0.96%	1.00%			
Warm Beach	1.55%	1.60%			
Combined Warm Beach	1.37%	1.37%			
Sunday Lake	3.82%	1.90%			





6 - Water Use Efficiency (Conservation)

- **Water Use Efficiency Goals**

- **Supply-side goal:** The District shall maintain its distribution leakage below the State ten percent standard and shall strive to progressively achieve lower percentages of lost water, where possible.
- **Demand-side goal:** The District shall actively participate in the Everett Water Utility Committee (EWUC) regional Water Use Efficiency Program to reduce overall regional water demand by approximately by 1.4 MGD between 2020 and 2029, or approximately a two percent reduction in the cumulative projected demand through 2029 (equal to 0.2% savings annually).
- 0.2% annual conservation goal for the PUD equates to an annual savings of approximately 5.25 MG/year.



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6 - Water Use Efficiency (Conservation)



Less than 10%
Leakage

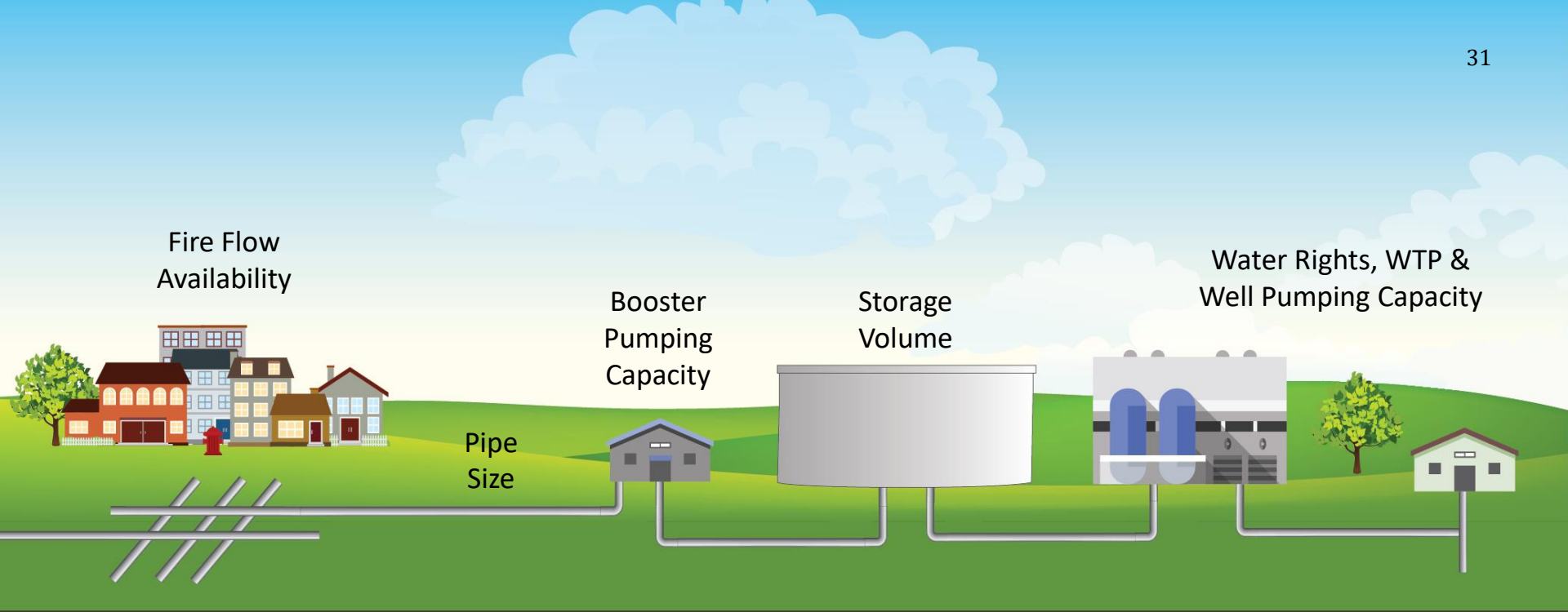


Reduce Water Use by
0.2% annually

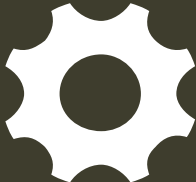


Estimate
5.25 million
gallons of water
saved per year!

Management

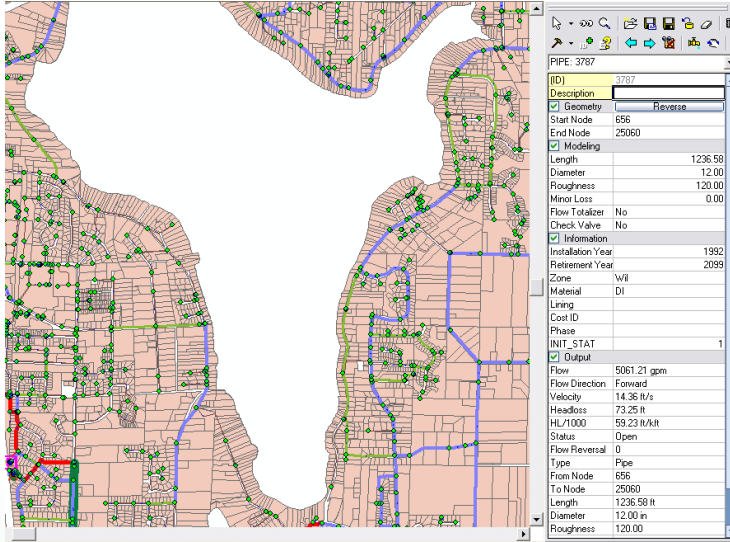


7 Facility Analysis: Water System Components Analyzed



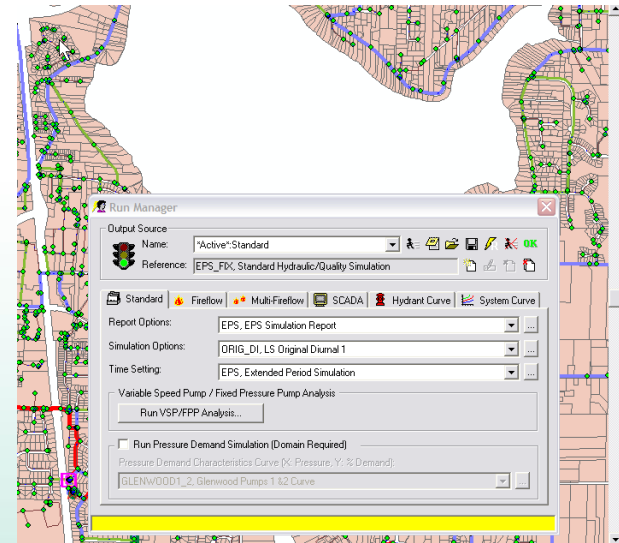


7 - Facility Analysis



- The hydraulic model also is used to evaluate water quality by determining the “age” of the water at various points within the distribution system.

- The Water Utility’s GIS-based hydraulic model (InfoWater) simulates fire flows, helps determine main sizes, evaluates pump station capacities, and looks at impact of new storage projects.



8 - Source of Supply

- Sources of supply include both surface water purchased from Everett and groundwater supplied from PUD wells
- Everett's water rights are sufficient to meet forecast demands for the city and its wholesale water customers beyond 2040
- The PUD does not anticipate the need to apply for additional water rights for its groundwater sources at this time



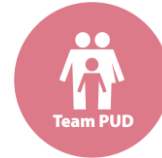
9 - Operations and Maintenance

- Personnel Certification – PUD is compliant with all laws & regulations regarding staff certification and training
- Routine Operations & Preventive Maintenance - The PUD's goal is to follow a routine schedule of operating, monitoring, and maintaining the facilities within its water systems
- Examples include:
 - ongoing flushing
 - valve maintenance
 - hydrant maintenance
 - cross-connection control programs



10 - Water Quality & Monitoring

- PUD is responsible for monitoring and compliance with all Safe Drinking Water Act (SDWA) and Washington Administrative Code (WAC) regulations
- PUD complies with all regulations pertaining to finished water impacts associated with disinfection in the distribution system.



11 - Improvement Program

Storage: \$22.2M - 3 new tanks (Kayak #2, Burn Road, North LS) and 8 tank repainting projects

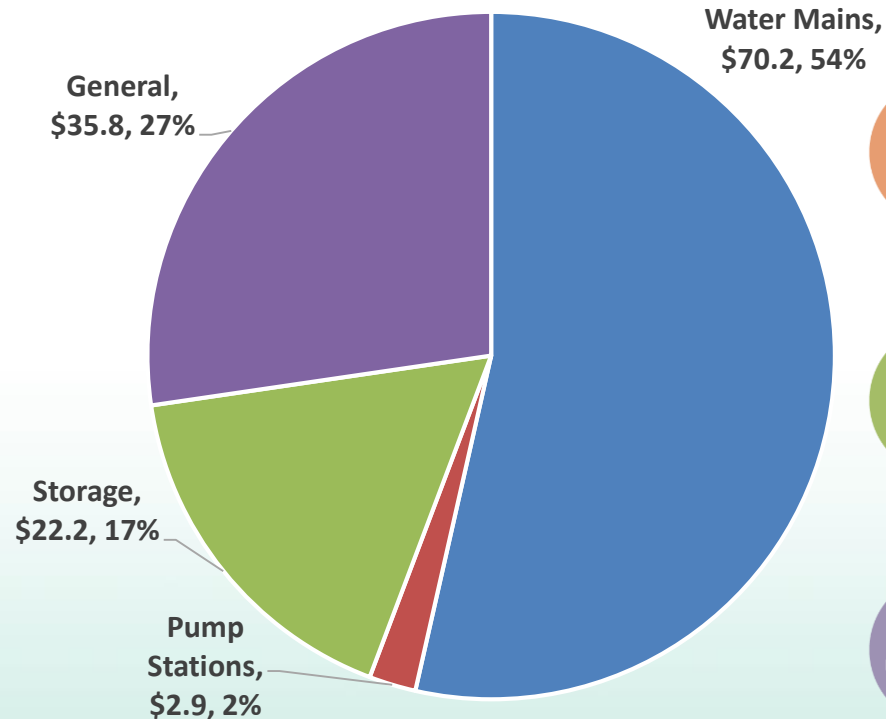
Pump Stations: \$2.9M – 1 new Pump Station (East Hewitt) & capacity increases at Walker Hill, Granite Falls, and Machias PS

Mains: \$70.2M - CIP and misc. main replacement

General System Improvements: \$35.8M – AMI, SCADA upgrades, Treatment Plant Upgrades, vehicle and equipment replacements, etc.

20 Year CIP Total: \$131.1M

Cost Breakdown (millions of dollars)



12 - Financial Plan

- Prepared by FCS GROUP to determine the total cost of providing water service.
- Intent is to determine if the Water Utility is financially viable and to assure that it will remain financially viable.
- Results factor into Water Rates analysis and proposals.
- Following presentation by Christina Arndt on 2023 Water Utility Rates.



Next Steps

- Complete final edition of the 2021 WSP document before January 10, 2023, Commission meeting
- Draft resolution for Commission consideration at the January 10, 2023, Commission meeting
- Hold Public Hearing as part of the January 10, 2023, Commission Meeting
- Request Commission consideration of resolution authorizing approval of the District's 2021 WSP
- If resolution approved, add it to appendix and request DOH approval of the District's 2021 WSP



QUESTIONS?



Team PUD



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Responsible Cost & Fiscal Management

Water Policy and Procedure Updates

Max Selin, Principal Engineer

December 20, 2022

Last Presented: November 2013



Overview

Purpose

- Brief the Board on proposed 2022 Water Utility Policy and Procedure updates

Board Action Items

- No action today
- Provide final marked up copy for Board review and resolution approval at the January 10, 2023, Commission Meeting.



Presentation Overview

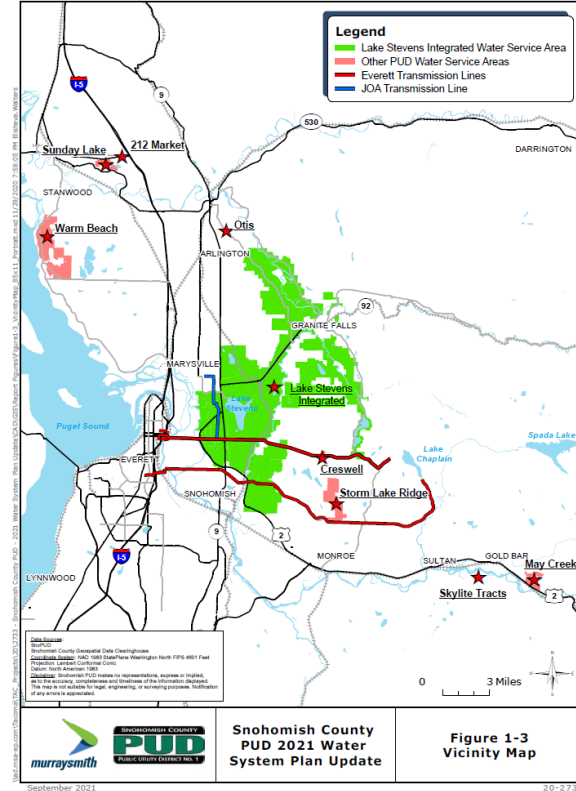
- Overview of existing water system
- Reasons for modifying the policy
- Communication of policy changes
- Summary of most significant policy changes
- Next steps
- Questions



Water Service Area

Nine Water Systems:

1. Lake Stevens Integrated
2. Storm Lake Ridge
3. Creswell
4. Warm Beach
5. May Creek
6. Sunday Lake
7. Skylite
8. 212 Market & Deli
9. Otis



Water Distribution System Overview



- 22,185 connections
- 16 Reservoirs
- 4 Water Treatment Plants
- 220,567,119 million cubic feet of retail water sold (2021)
- 31,499,407 million cubic feet of wholesale water sold (2021)



Why Are The Policy and Procedures Being Updated

- Last modified in November 2013, through Resolution No. 5647
- Provide general housekeeping to further clarify and qualify existing policy language and for consistency with electrical utility customer service changes initiated throughout the District.
- Update General Facilities Charge (GFC) and Developer System Charge (DSC) language with the ability to waive fees for customers transferring to a District water main that are currently connected to a municipal transmission main within the District water service area.



Why Are The Policy and Procedures Being Updated

- Update language for subdividing a parcel into two lots. Fees will now be charged more reasonably based on a per lot basis rather than per linear front foot of property for each lot.
- Update the satellite management policy to incorporate additional funding options and to be consistent with the current electrical utility practice.



Communication of Policy and Procedure Updates

Proposed updated Policy and Procedure manual distributed to:

1. Internal District Staff
2. Legal
3. Local Developers
4. Local Land Development Engineering Firms
5. The King and Snohomish Counties Master Builder Association Chapters.
 - The District met with the Master Builders Association on November 28, 2022. Mutually agreed edits are incorporated into the proposed policy.



Section 1 - Introduction

- Provided general housekeeping to the language in Section 1.
- No policy and procedure changes.



Section 2 - General Terms, Conditions, and Policies for ¹⁰ Water Service

2.6.2 General Facilities Charge (GFC)

(3) In order to promote non-overlapping water service boundaries within the District's claimed water service area as shown in the current North Snohomish County Coordinated Water System Plan, any existing Customers of a municipal water system may, with the consent of the municipal supplier, be transferred to an existing District water main, if available. The GFC for such transfers may be waived at the discretion of the AGM in an effort to promote the resolution of overlapping water service areas.

2.6.3 Distribution System Charge (DSC)

(c) In order to promote non-overlapping water service boundaries within the District's claimed water service area as shown in the current North Snohomish County Coordinated Water System Plan, any existing Customers of a municipal water system may, with the consent of the municipal supplier, be transferred to an existing District water main, if available. The DSC for such transfers, if owed only to the District and not needed for reimbursement to a 3rd party developer who funded the initial main extension, may be waived at the discretion of the AGM in an effort to promote the resolution of overlapping water service areas.



Section 2 - General Terms, Conditions, and Policies for ¹¹ Water Service

2.2.7

Water service will not be terminated on a temporary basis unless there is a change in occupancy or legal responsibility. As an example, the District will not allow temporary termination of water service to accommodate extended absences or vacation. Due to the District's ongoing need to maintain the water system infrastructure the customer will at all times, absent change of occupancy or legal responsibility as described above, be responsible for the monthly customer charge and any applicable capital rate surcharges.

Permanent termination of water service at the written request of the legal Owner of the property shall require the physical removal of the water service at the Owner's cost. Such termination is irrevocable, and Owner shall pay all fees associated with a new service installation if they desire water service in the future.



Section 2 - General Terms, Conditions, and Policies for ¹² Water Service

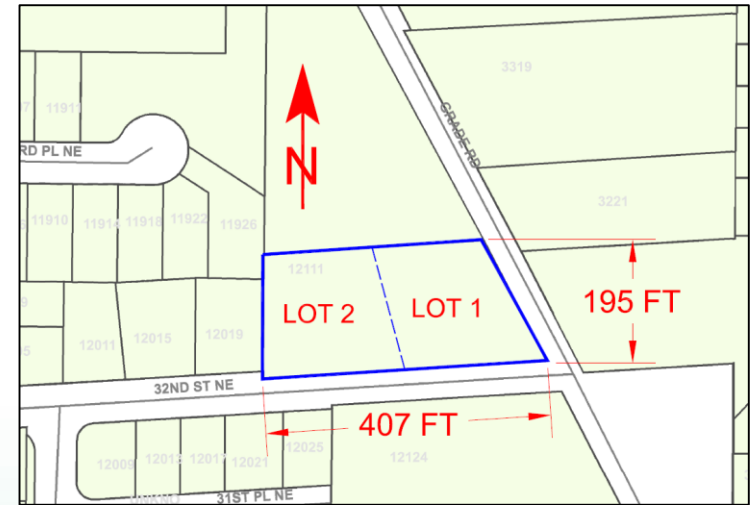
2.6.9 Discounts

~~Effective October 1, 2010, reduced rates for the primary residence for single-family water customers are available for “Low-Income Senior Citizens” and for “Other Low-Income Citizens.”~~ The Water ~~Low Income Qualified Assistance D~~discount programs will be administered by the District’s Customer Service Department in accordance with the criteria and income levels set forth in the District’s ~~Customer Service Regulations for Electric Service. Electric Rate Schedule 7, Paragraphs 3 (b) and (c), as they are amended from time to time.~~ Qualifications and rates can ~~also~~ be found on the ~~District W~~website at <http://www.snopud.com>.



Water Rates and Fees – Subdivision Up To 2 Lots

Table B-4 Distribution System Charge (DSC) ⁽¹⁾		
Category	Responsible for Payment	DSC
Single-Family Residential (excluding Satellite, and other LUD Systems with specific DSC rates identified in Table B-5)		
Subdivision (3 or more lots)	Developer	\$38.00/front foot ⁽²⁾
Subdivision (Up to 2 lots)	Developer	\$4,210/parcel
Individual Parcel	New Customer	\$4,210/parcel
Multi-Family Residential (Duplex Lot)	Developer or New Customer	\$4,210/parcel
Multi-Family Residential (3 or more connections)	Developer or New Customer	\$38.00/front foot ⁽²⁾
Commercial or Industrial (Multiple Parcel/Single Facility - Strip Malls, Mixed Use Development, Large Scale)	Developer or New Customer	\$38.00/front foot ⁽²⁾
Commercial or Industrial (Individual Parcel/Single Facility, Small Scale)	Developer or New Customer	\$38.00/front foot ⁽³⁾



Current Fee

$$(407+195)\text{ft} \times (\$38/\text{ft}) = \$22,876$$

Proposed Fee

$$(2 \text{ Lots}) \times (\$4,210/\text{lot}) = \$8,420$$



Section 3 – Extension Policies

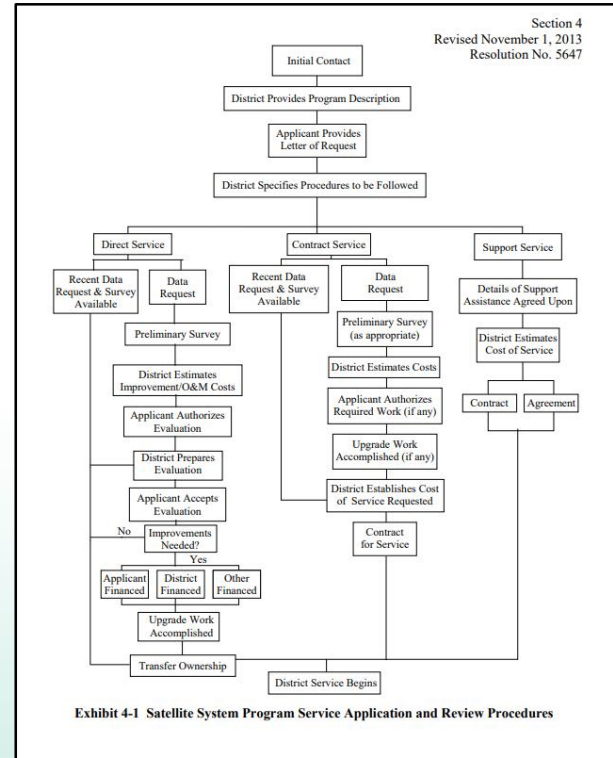
- Provided general housekeeping to the language in Section 3.
- No policy and procedure changes.



Section 4 - Satellite System Management

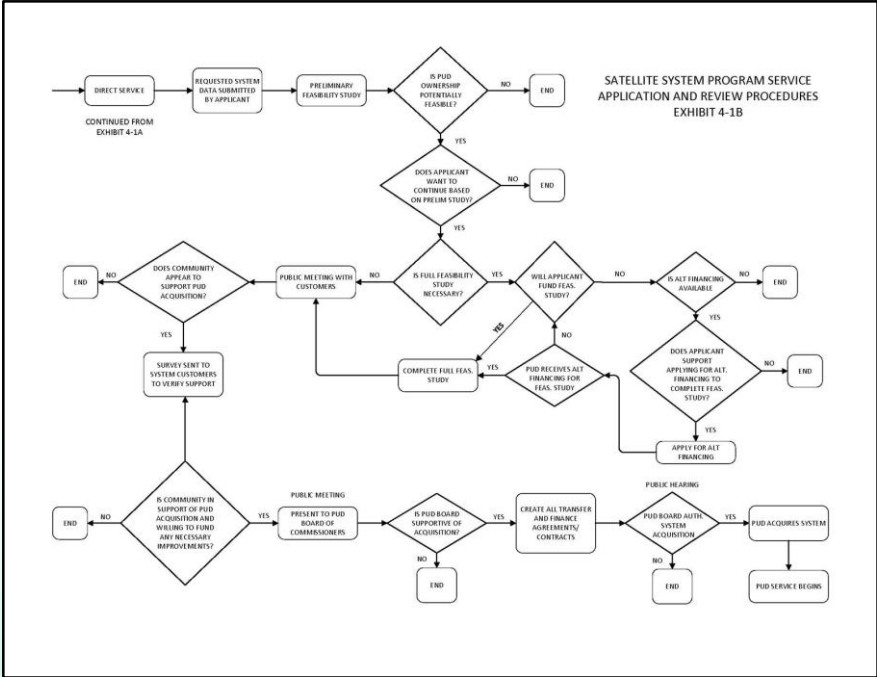
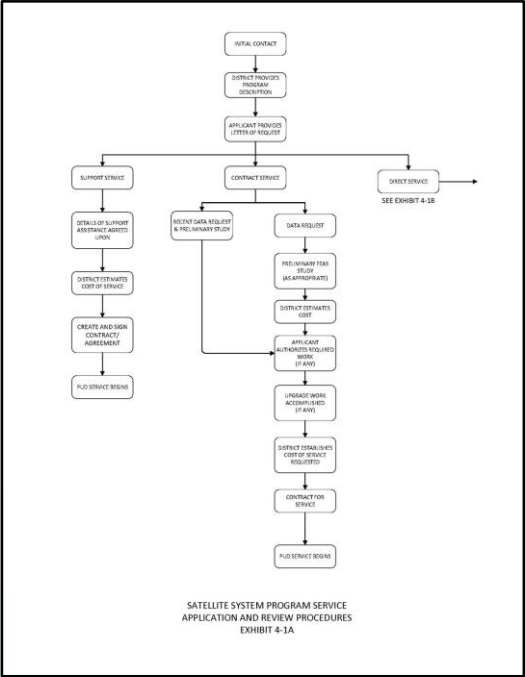
- Updated the Satellite System Program Service Application and Review Procedures outline to show additional funding options for Satellite Systems.
- More clearly show how the District may take on a new water system.

Existing Satellite System Program Service Application and Review Procedures Flow Chart



Section 4 – Satellite System Management

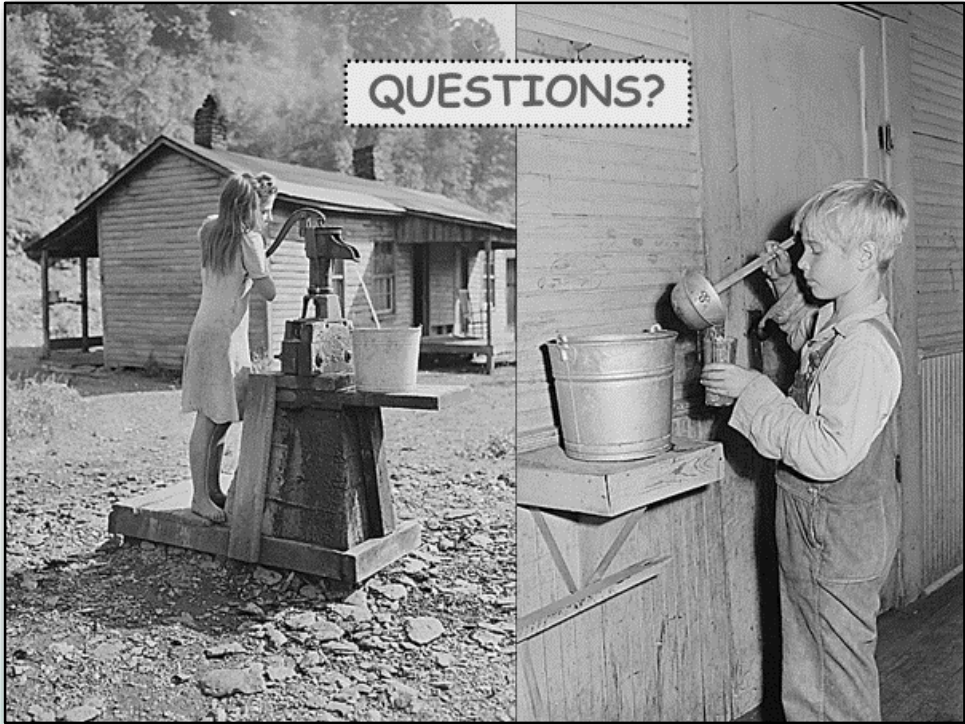
Proposed Satellite System Program Service Application and Review Procedure Flow Charts

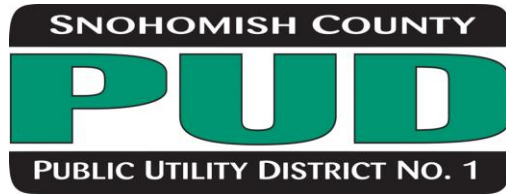


Next Steps

- Incorporate feedback
- Provide final marked up copy for Commission review and resolution approval at the January 10, 2023, Commission Meeting.







2023 Retail Rate Proposal

Water Utility

December 20, 2022

Presented by:

Christina Arndt – Manager, Water Utility Business Services

Sergey Tarasov – Senior Project Manager, FCS Group

Brooke Tacia – Project Manager, FCS Group

Last Discussed:

February 15, 2022

Overview

Purpose

- Brief the Board on proposed 2023 Water Retail Rates

Board Action Items

- No action today
- Public Hearing and Action in January 2023

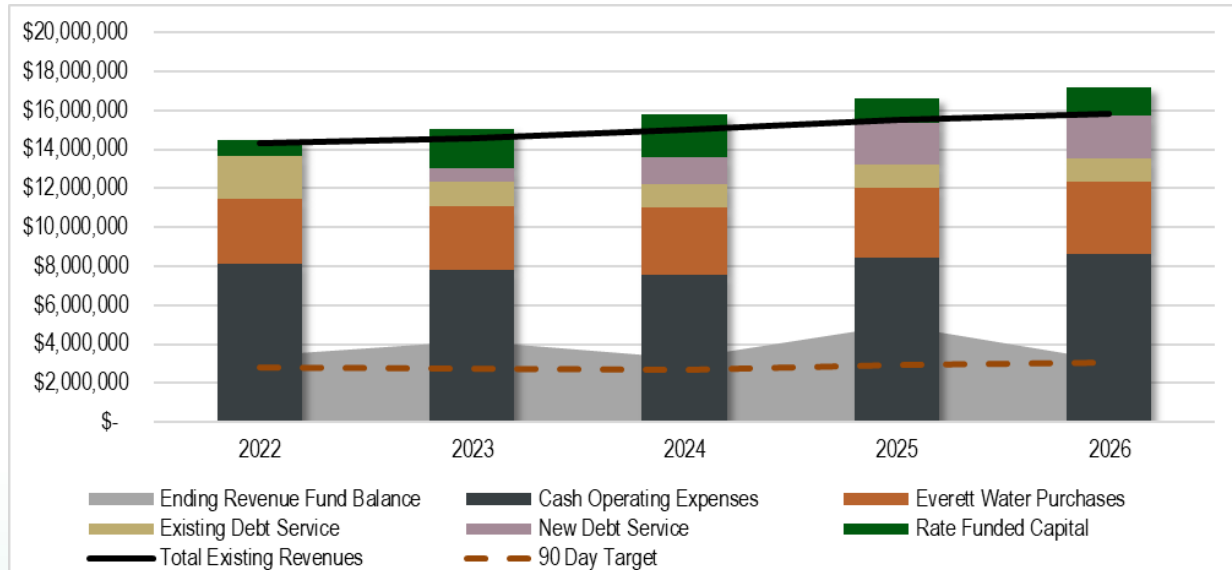


Discussion Outline

- Background
- Drivers impacting water rates
- Summary of findings
 - Revenue requirement
 - Cost of Service Analysis (COSA)
 - Rate design
- Water Retail Rate Recommendation



February 2022 Revenue and Rate Projection



Sample Bill	2021	2022	2023	2024	2025	2026
Proposed Increases		1.75%	2.15%	2.15%	2.15%	2.15%
Sample Residential Monthly Bill	\$ 47.62	\$ 48.45	\$ 49.50	\$ 50.56	\$ 51.65	\$ 52.76
\$ Difference		\$ 0.83	\$ 1.04	\$ 1.06	\$ 1.09	\$ 1.11

Note: Assumes 5/8" meter and 7 ccf monthly

Last Presented:
February 15, 2022



February 2022 Cost of Service Phase-in Projection

- Phased in rate increases to bring multi-family and commercial classes closer to their cost-of-service revenue targets

Class	COSA Phase-In			Across the Board	
	2022	2023	2024	2025	2026
Single Family	1.53%	1.96%	1.96%	2.15%	2.15%
Multi-Family	4.00%	4.00%	4.00%	2.15%	2.15%
Commercial	4.00%	4.00%	4.00%	2.15%	2.15%
Overall Rate Increase	1.75%	2.15%	2.15%	2.15%	2.15%



Water Retail Rates

Adopted Water Retail Rates (2022 Water Retail Rates per Resolution 6050, Approved February 15, 2022 - Effective April 1, 2022)			
Description	2016-2017	2018-2021	2022
General Single-Family Residential - Table B-6			
General and Special Monthly Customer	\$22.57	\$22.98	\$23.33
Commodity Rate (per 100 cu ft)	\$3.46	\$3.52	\$3.57
Unmetered Monthly	\$57.17	\$58.20	\$59.09
General Multi-Family Residential - Table B-7			
General and Special Monthly Customer	\$22.20	\$23.09	\$24.01
Commodity Rate (per 100 cu ft)	\$3.21	\$3.34	\$3.47
General Commercial / Industrial - Table B-8			
General and Special Rates, except Lake Monthly Customer	\$48.24	\$50.17	\$52.18
Commodity Rate (per 100 cu ft)	\$3.12	\$3.24	\$3.37
General Commercial / Industrial - Table B-8			
Lake Connor Park Monthly Customer Charge	\$90.69	\$94.32	\$98.09
Lake Connor Park Commodity Rate (per 100)	\$3.67	\$3.82	\$3.97

Note: 2019-2021 Retail Rates were held at authorized 2018 levels due to a 6% Municipal Tax imposed in Lake Stevens and Gold Bar and COVID



Main Drivers Impacting Water Rates



Changes Included in Review of Rates

- Updated 2022 forecasted revenues and expenses to year end projections
 - Resulted in a \$700K fund balance increase
- Changes to forecast assumptions – Adds \$860K to annual expenses
 - Everett commodity charge increase (previously 2.0% per year)
 - 7.90% in 2023
 - 8.10% in 2024
 - Labor cost inflation increase (previously 3% per year)
 - 3.90% in 2023
 - 5.00% in 2024-2026

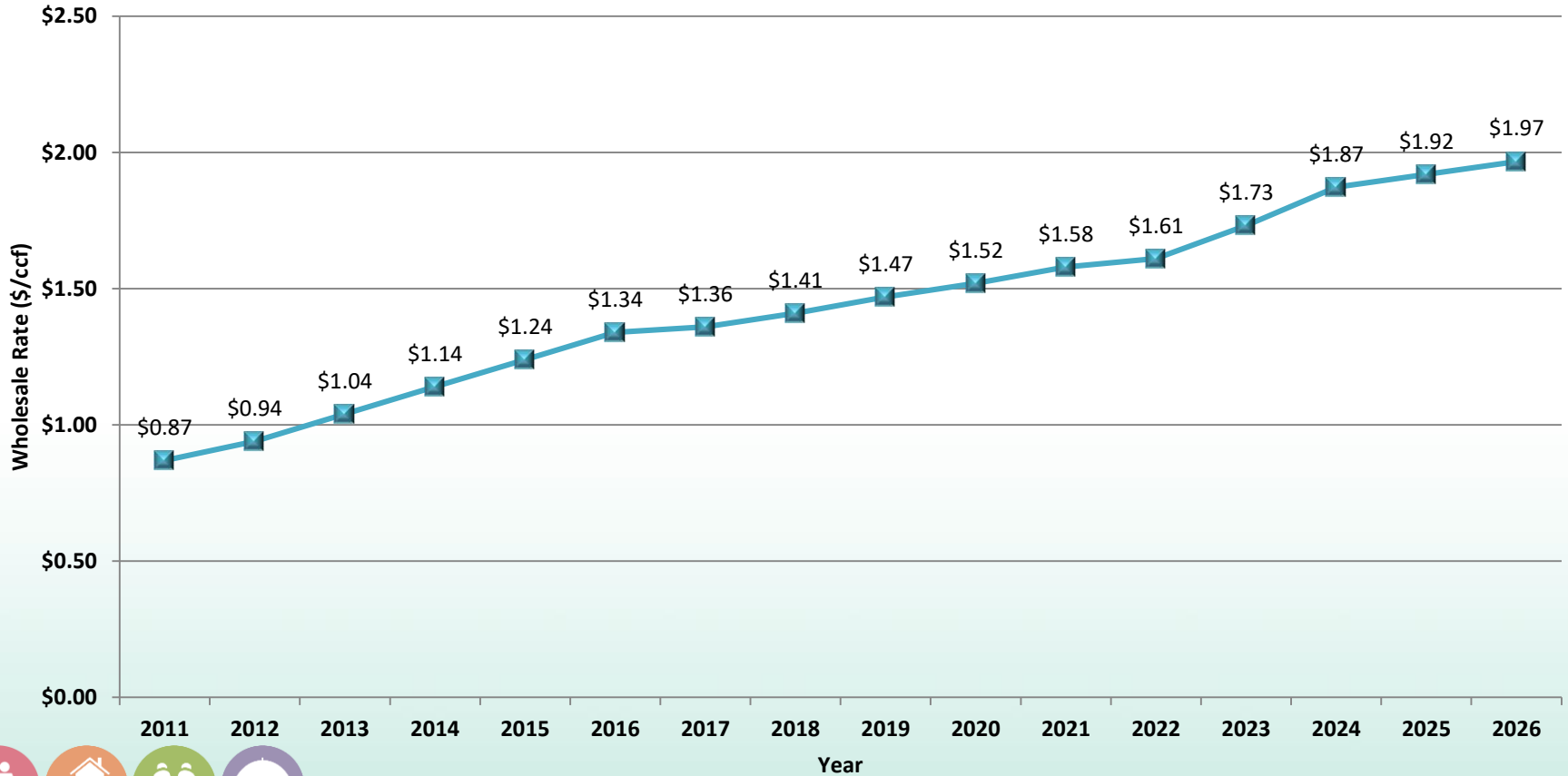


Drivers Impacting Water Retail Rates

- Continued increase in purchased water rates from City of Everett
- Supply chain issues driving increased costs
- Continued emphasis on the main replacement program
- Monthly meter reading
- Maintaining fiscal policy targets
- Continued push to maximize use of our Lake Stevens Treatment Plant to help offset rate increases
- Continued increase in administrative costs shared with Electric



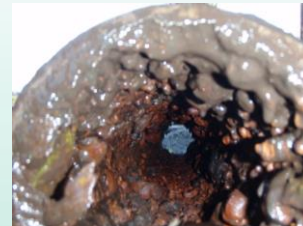
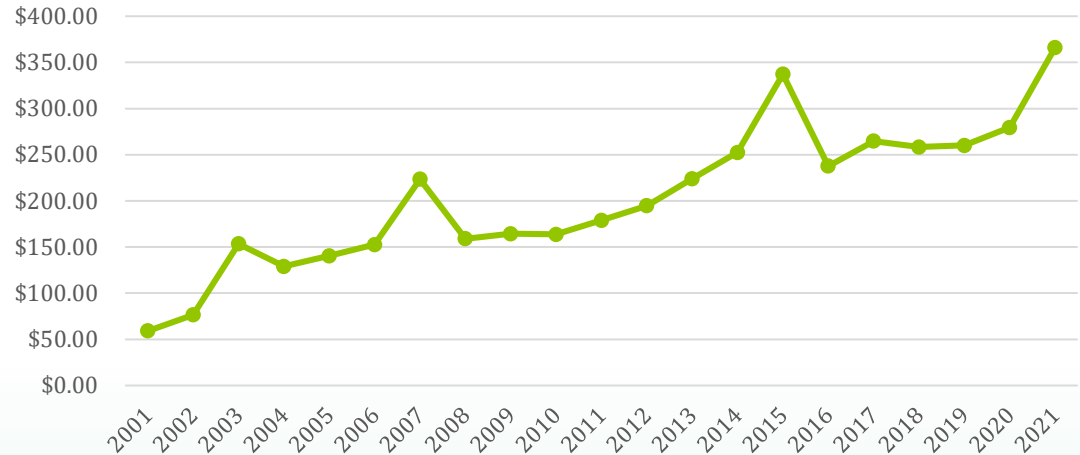
City of Everett Wholesale Rate (\$/ccf)



Aging Water Main Replacement

- Since 2008, we have replaced 18.6 miles of aging water mains at a cost of \$24.4 million
- Budgeted and on track to replace another 3,700 feet of aging water main in 2023 at an estimated cost of \$1.2 million
- Approximately 60% of all aging water mains in our system have been replaced by PUD since 2008
- Approximately 12 miles of aging water mains still in need of replacement
- On track to have all aging Asbestos Cement (AC), Steel, and Galvanized Iron water mains replaced by 2028
- Since 2008 we've seen a steady increase in the cost of replacement projects

Cost/ft of 8" DI Main Replacement Projects

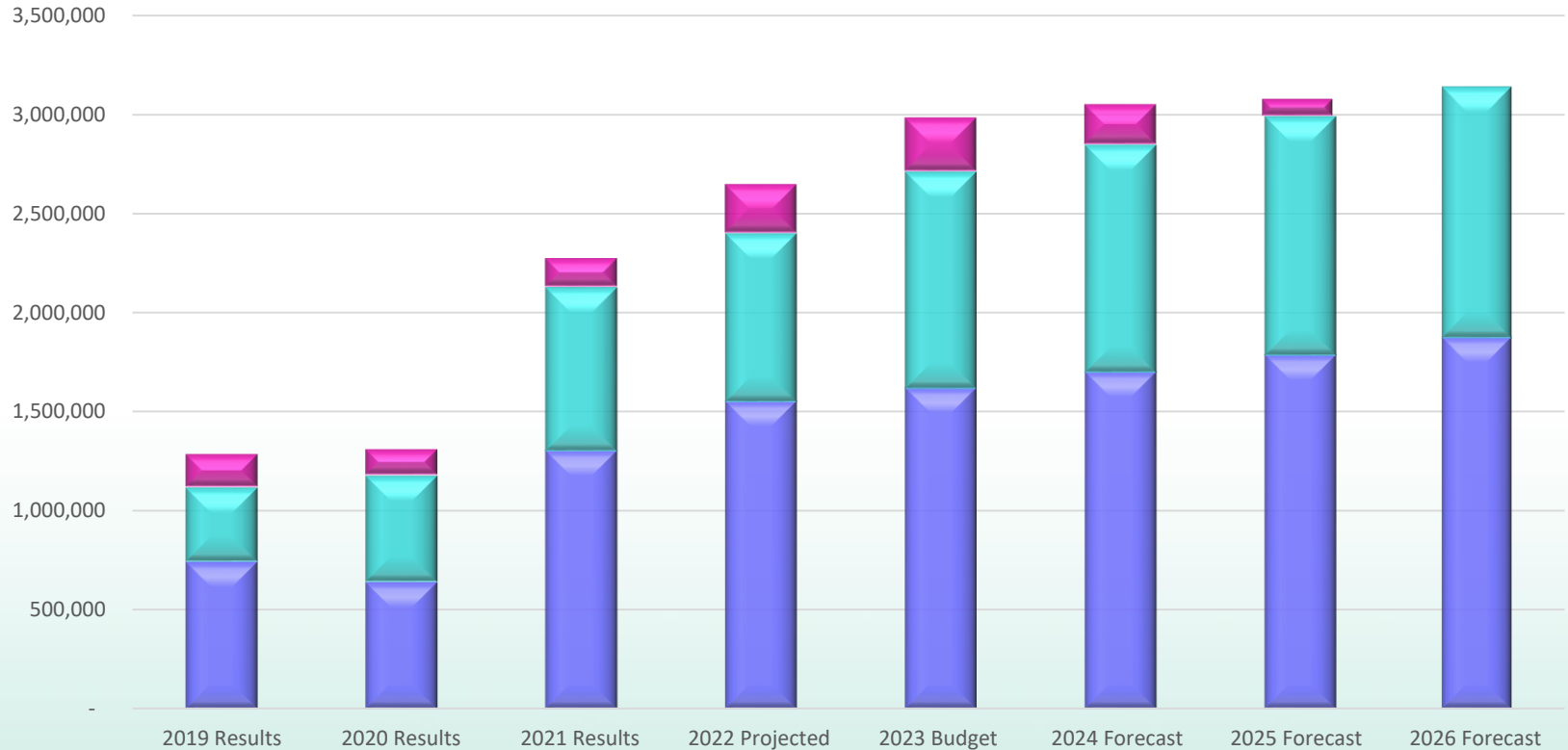


Lake Stevens Well

- Lake Stevens (LS) Well Treatment Plant was completed in September 2012 at a cost of \$1.4M
- Since startup, the wells have produced and treated 3.3 billion gallons for distribution into our system or approximately 17% of our total Lake Stevens system needs
- To date the use of the LS wells has saved the District approximately \$5.58M in purchased water costs
- Water meets all State and Federal water quality standards
- Budgeted in 2023 for a corrosion control optimization capital project of \$500K

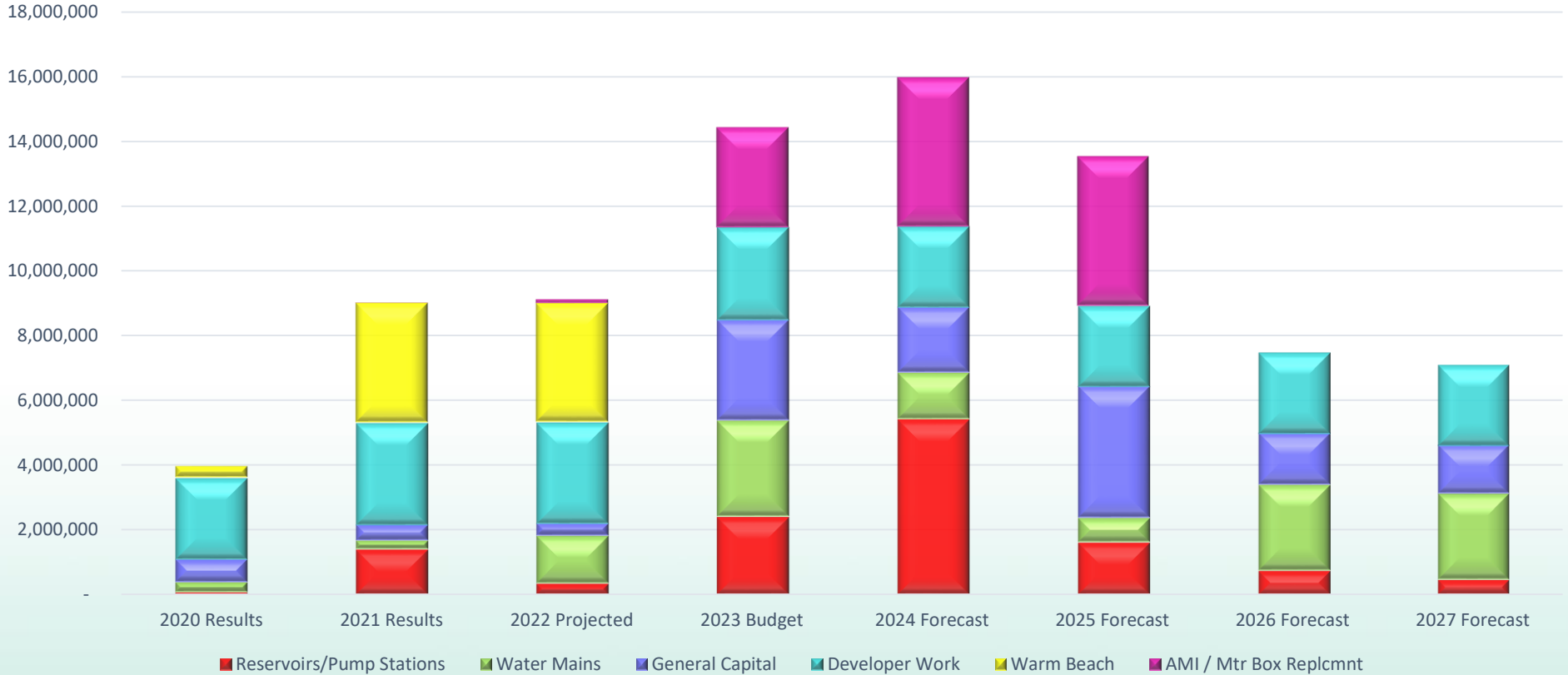


Administrative Costs Shared with Electric



■ Shared Services (All Labor Except IT) ■ IT Shared Services ■ TruCheck

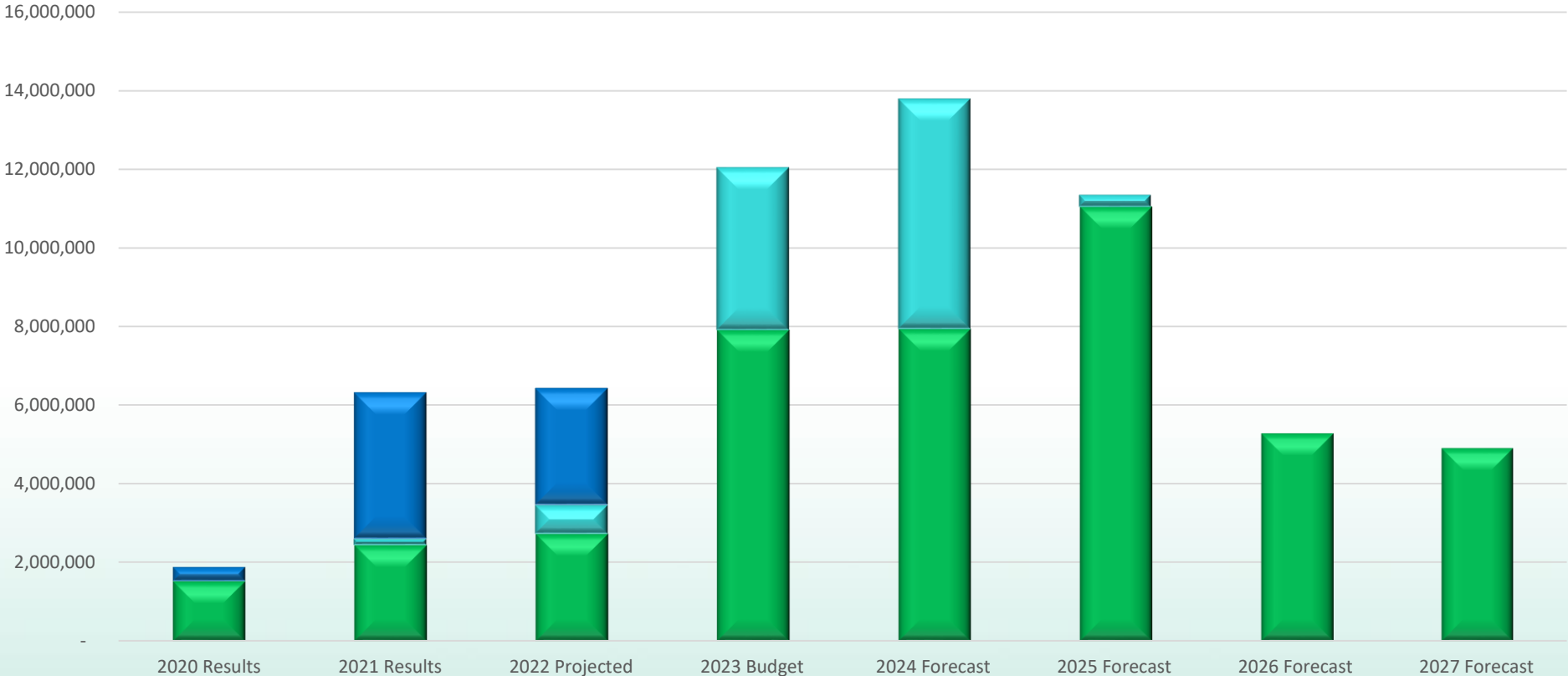
Water System Capital Improvements



■ Reservoirs/Pump Stations ■ Water Mains ■ General Capital ■ Developer Work ■ Warm Beach ■ AMI / Mtr Box Replcmnt

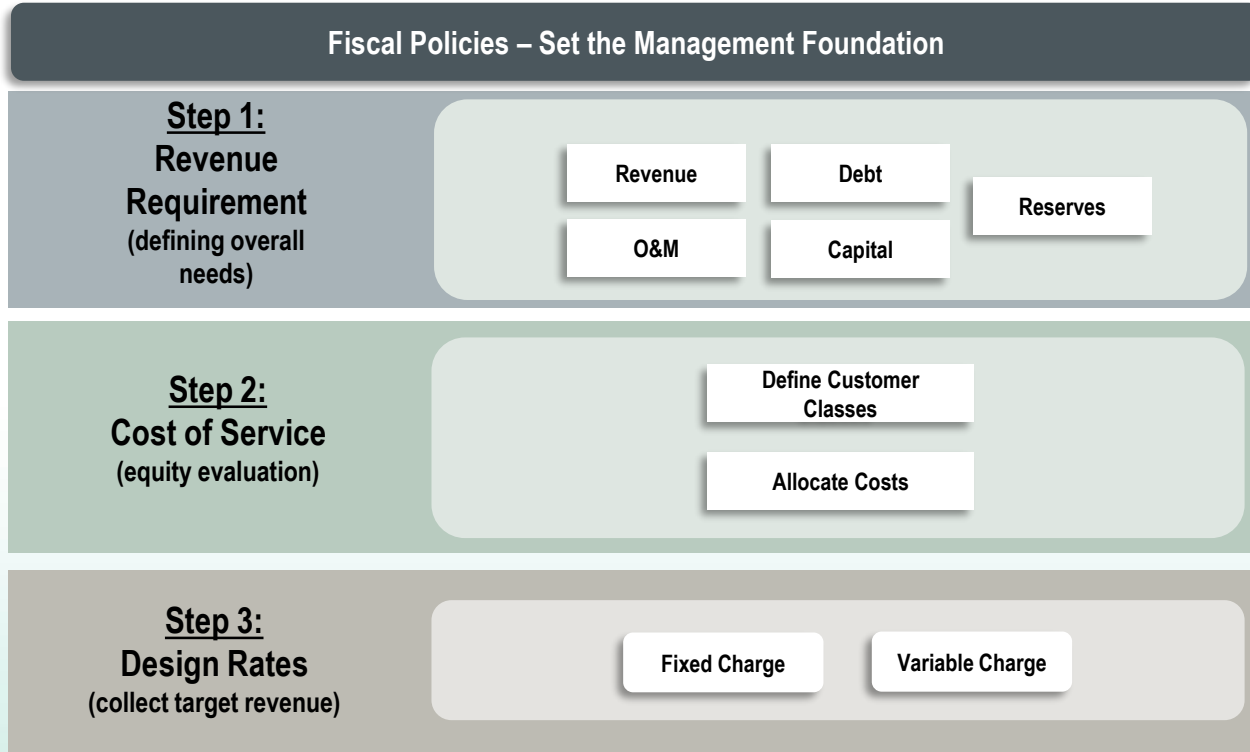


Capital Funding (Excluding Donated Plant)



■ Rate/Bond Funded ■ GFC ■ Warm Beach / DWSRF

Overview of Rate Setting Process

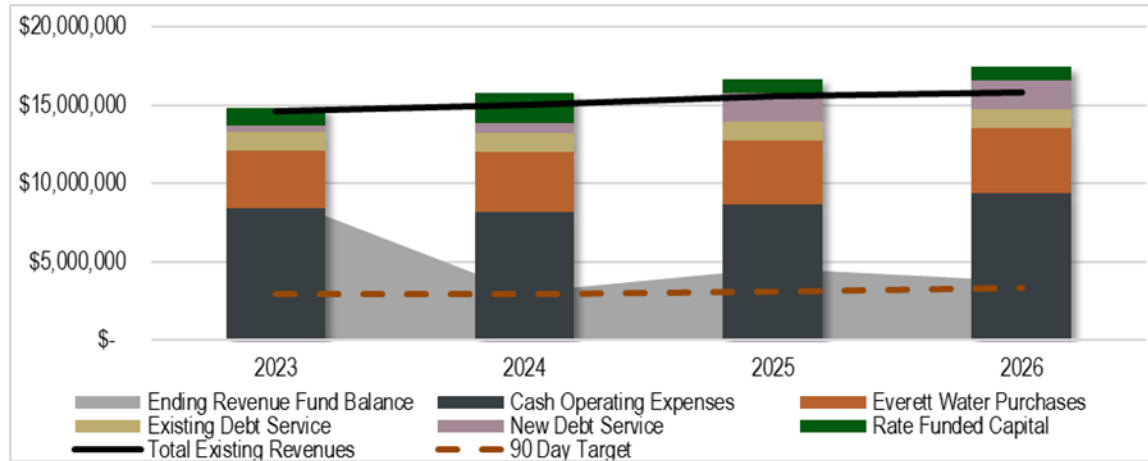


Rate Strategy Guidelines

Description	2023	2024	2025	2026
PUD Rate Component	0.35%	0 to 0.6%	0 to 2.2%	0 to 2.5%
Everett Pass Through	2.40%	2.4%	0.8%	0.8%
Range of Future Rate Increase	2.75%	2.4% – 3.0%	0.8% – 3.0%	0.8% – 3.3%
Debt Issuance	\$7.05m		\$13.5m	
Days Cash on Hand Min Target	90	90	90	90
Debt Service Coverage Min	1.75	1.75	1.75	1.75



Revenue Requirement Summary



Recommended Scenario	Existing	Proposed	Forecasted		
		2023	2024	2025	2026
<i>Everett Pass-Through</i>		2.40%	2.40%	0.75%	0.75%
<i>PUD Rate Component</i>		0.35%	0.60%	2.25%	2.50%
Proposed Increases		2.75%	3.00%	3.00%	3.25%
Sample Residential Monthly Bill	\$ 48.32	\$ 49.65	\$ 51.14	\$ 52.67	\$ 54.38
\$ Difference		\$ 1.33	\$ 1.49	\$ 1.53	\$ 1.71

Note: Assumes 5/8" meter and 7 ccf monthly



Recommended Rate Scenario

- Recommended Water Rate Scenario

Recommended Scenario	Existing	Proposed	Forecasted		
		2023	2024	2025	2026
<i>Everett Pass-Through</i>		2.40%	2.40%	0.75%	0.75%
<i>PUD Rate Component</i>		0.35%	0.60%	2.25%	2.50%
Proposed Increases		2.75%	3.00%	3.00%	3.25%
Sample Residential Monthly Bill	\$ 48.32	\$ 49.65	\$ 51.14	\$ 52.67	\$ 54.38
<i>\$ Difference</i>		\$ 1.33	\$ 1.49	\$ 1.53	\$ 1.71

Note: Assumes 5/8" meter and 7 ccf monthly

- Level incremental increases
- Accounts for increased Everett water costs
 - Everett’s share of increase is 2.40% near term
- Maintains the Water Utility’s fiscal targets related to sufficient reserves (min 90 days cash on hand) and debt service coverage



March 2023 Water Retail Rate Proposal

- Continue progressing multi-family and commercial classes towards cost of service
- Recommend an overall 2023 rate increase of 2.75% with COSA Phase-in:

Class	2023 Increase
Residential	2.55%
Multi Family	4.75%
Commercial	4.75%
System Average	2.75%



Cost of Service Phase-in

- Phasing in rate increases to bring multi-family and commercial classes closer to their cost-of-service revenue targets

Class	COSA Phase In			Across the Board
	2023	2024	2025	2026
Single Family	2.55%	2.80%	2.80%	3.25%
Multi-Family	4.75%	5.00%	5.00%	3.25%
Commercial	4.75%	5.00%	5.00%	3.25%
Overall Rate Increase	2.75%	3.00%	3.00%	3.25%



Cost of Service Phase-In Across the Board

Description	Existing Rates	Proposed Rates 2023	Forecasted Rates		
			2024	2025	2026
Single Family Residential					
Monthly Customer Charge	\$ 23.33	\$ 23.92	\$ 24.59	\$ 25.28	\$ 26.10
Commodity Rate (per 100 cu ft)	\$ 3.57	\$ 3.66	\$ 3.76	\$ 3.87	\$ 4.00
Multi Family Residential					
Monthly Customer Charge	\$ 24.01	\$ 25.15	\$ 26.41	\$ 27.73	\$ 28.63
Commodity Rate (per 100 cu ft)	\$ 3.47	\$ 3.63	\$ 3.81	\$ 4.00	\$ 4.13
Commercial / Industrial					
Monthly Customer Charge	\$ 52.18	\$ 54.66	\$ 57.39	\$ 60.26	\$ 62.22
Commodity Rate (per 100 cu ft)	\$ 3.37	\$ 3.53	\$ 3.71	\$ 3.90	\$ 4.03
Lake Connor Park					
Monthly Customer Charge	\$ 98.09	\$ 102.75	\$ 107.89	\$ 113.28	\$ 116.96
Commodity Rate (per 100 cu ft)	\$ 3.97	\$ 4.16	\$ 4.37	\$ 4.59	\$ 4.74



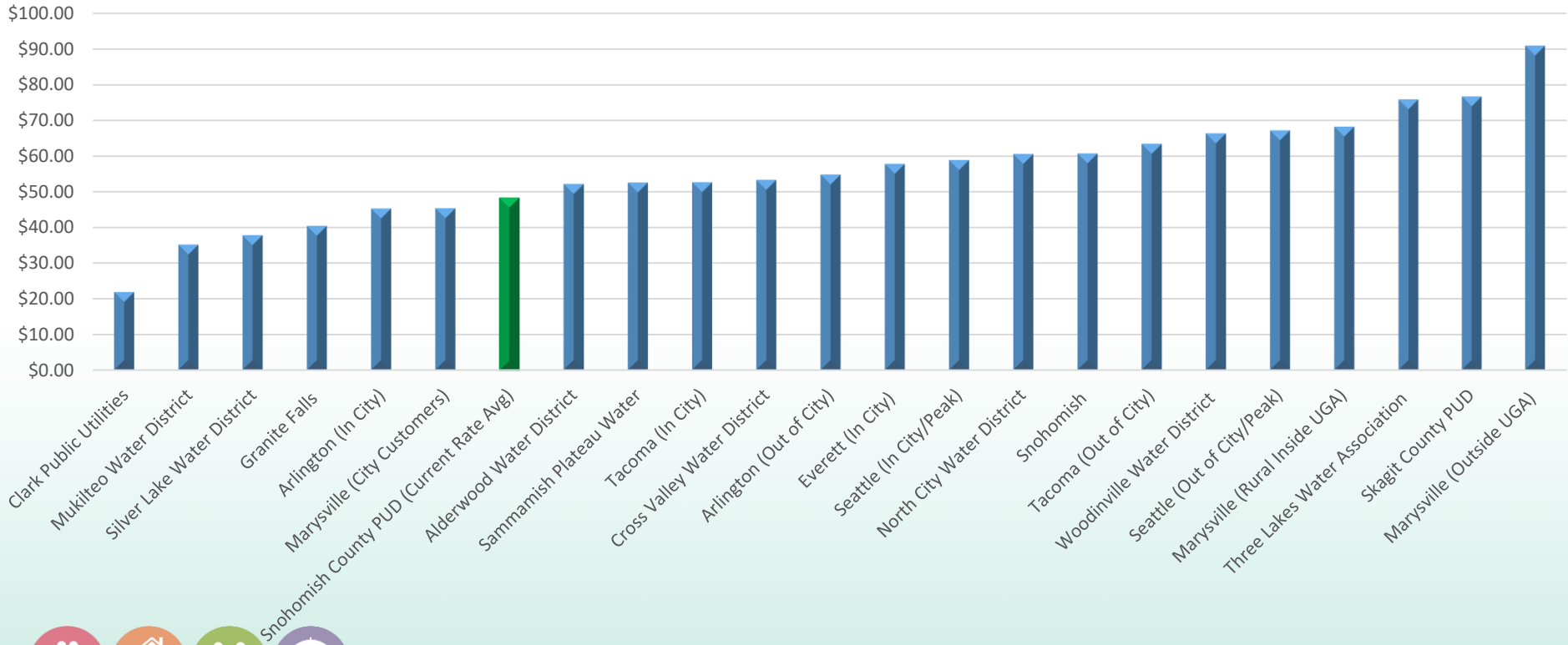
Sample Rate Impacts

Rate Impacts	Existing Rates	Proposed Rates 2023	Forecasted Rates		
			2024	2025	2026
Single Family					
Average User - 7 ccf	\$ 48.32	\$ 49.54	\$ 50.91	\$ 52.37	\$ 54.10
<i>Dif</i>		\$ 1.22	\$ 1.37	\$ 1.46	\$ 1.73
Multi Family					
Low User - 10 ccf	\$ 58.71	\$ 61.45	\$ 64.51	\$ 67.73	\$ 69.93
<i>Dif</i>		\$ 2.74	\$ 3.06	\$ 3.22	\$ 2.20
Average User - 20 ccf	\$ 93.41	\$ 97.75	\$ 102.61	\$ 107.73	\$ 111.23
<i>Dif</i>		\$ 4.34	\$ 4.86	\$ 5.12	\$ 3.50
High User - 40 ccf	\$ 162.81	\$ 170.35	\$ 178.81	\$ 187.73	\$ 193.83
<i>Dif</i>		\$ 7.54	\$ 8.46	\$ 8.92	\$ 6.10
Commercial					
Low User - 15 ccf	\$ 102.73	\$ 107.61	\$ 113.04	\$ 118.76	\$ 122.67
<i>Dif</i>		\$ 4.88	\$ 5.43	\$ 5.72	\$ 3.91
Average User - 30 ccf	\$ 153.28	\$ 160.56	\$ 168.69	\$ 177.26	\$ 183.12
<i>Dif</i>		\$ 7.28	\$ 8.13	\$ 8.57	\$ 5.86
High User - 60 ccf	\$ 254.38	\$ 266.46	\$ 279.99	\$ 294.26	\$ 304.02
<i>Dif</i>	<i>Dif</i>	\$ 12.08	\$ 13.53	\$ 14.27	\$ 9.76



Rate Comparison

2022 Average Monthly Bill based on 700 cf/month



2023 Water Retail Rate Proposal

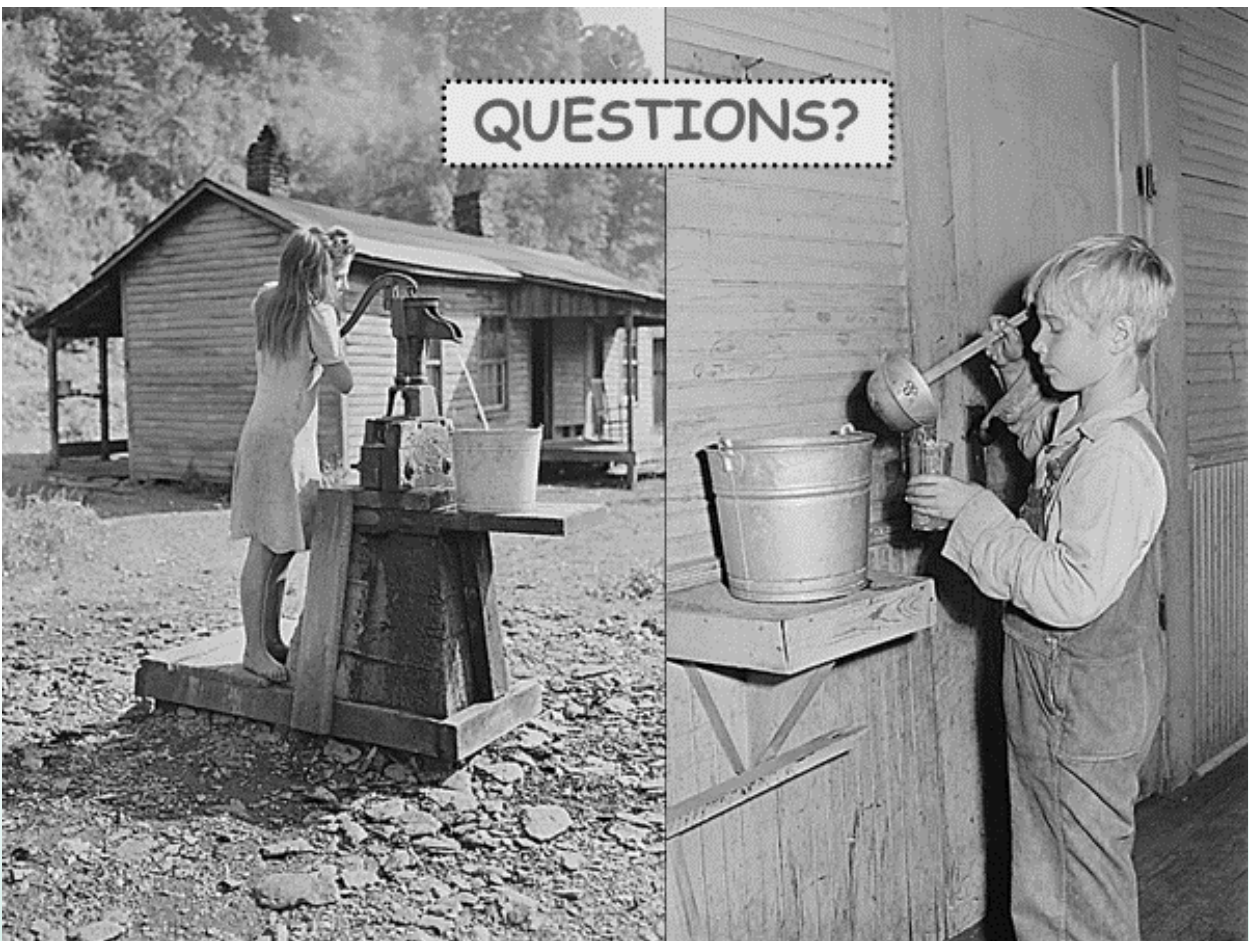
- Recommend an overall rate increase of 2.75%
 - Continue cost of service phase-in
 - 2.55% increase for Single Family Residential
 - 4.75% increase for Multi-Family/Commercial/Industrial
 - Includes Lake Connor Park



Next Steps

- January 10, 2023 – Public Hearing
- January 24, 2023 – Board Adoption
- March 1, 2023 – Revised 2023 Water Utility Retail Water Rates take effect
- Re-visit connection charges and wholesale rates in 2023
- Re-visit conservation rates at a future date





QUESTIONS?





BUSINESS OF THE COMMISSION

Meeting Date: December 20, 2022

Agenda Item: 2A

TITLE

General Manager’s Life Saving Award - Paul Kiss

SUBMITTED FOR: RECOGNITION/DECLARATIONS

<u>Safety</u>	<u>Rob Beidler/Shalna Boser</u>	<u>8503/1883</u>
<i>Department</i>	<i>Contact</i>	<i>Extension</i>
Date of Previous Briefing: _____		
Estimated Expenditure: _____		Presentation Planned <input checked="" type="checkbox"/>

ACTION REQUIRED:

- Decision Preparation
- Policy Discussion
- Policy Decision
- Statutory
- Incidental (Information)
- Monitoring Report

SUMMARY STATEMENT:

Identify the relevant Board policies and impacts:

Recognition - General Manager’s Life Saving Award for Safety

List Attachments:

Recognition and Incident Detail

General Manager's Life Saving Award

Awarded to Paul Kiss by Joint Safety Team for quick action and aid provided in July 2022 at Lake Stevens Aquafest.

Awarded for making a significant contribution in the attempt to save a life, or lives, or render aid to someone seriously injured. This includes but is not limited to acts of resuscitation and attempts to restart a person's heart, significant organizational or leadership contributions in a lifesaving or major first aid event, and significant roles in rescue efforts.

The Joint Safety Team is awarding Paul Kiss the General Manager's Life Saving Award for performing the Heimlich maneuver on a person experiencing a medical emergency.

While Paul was out enjoying time with his family at Aquafest; there was a pizza eating contest that he was watching with his family, amazed at how fast a 7-year-old can down a piece of pizza. This was quite the turn out, close to one hundred spectators, with paramedics present. Next on the list for the food eating contests was watermelon.

The participants for the watermelon contest ranged in all ages, the youngest 14/15-year-old and on up. About fifteen contestants, who were ten feet from Paul. Three long tables for all the contestant's & their watermelon. Rules of the contest did not allow them to use their hands to eat the melon; each person started the competition with a ¼ watermelon to consume.

Paul had noticed that one of the younger contestants had only taken 4 to 5 bites of his watermelon as others were devouring their portions. Paul kept watching this kid, thinking wow this kid is not very good at downing his watermelon. As Paul kept watching this individual, all the first aid training of 30 plus years came flooding through his immediate thoughts. Most recently was a memorable first aid class, which was instructed by Tim Durand.

Upon Paul watching this participant, he realized this kid is choking based upon the kid reaching for his throat, the international sign of choking. Paul was able to recall his first aid trainings throughout his career to help this child. Paul was able to reach this child just in time. The participant was close to becoming unconscious. Paul performed the Heimlich maneuver, until the participant had dislodged a piece of chicken & watermelon.

Since emergency medical staff was on hand for this event, the contestant was able to get immediate attention by medical staff.

More than anything, Paul wanted to stress that safety is 24/7 and always pay attention. Look out for each other. You may never know when you may need these lifesaving skills outside of work.

COMMENTS FROM THE PUBLIC



BUSINESS OF THE COMMISSION

Meeting Date: December 20, 2022

Agenda Item: 4A

TITLE

Approval of the Minutes for the Regular Meeting of December 6, 2022, and the Special Meeting of December 13, 2022

SUBMITTED FOR: Consent Agenda

Commission _____	<u>Allison Morrison</u> _____	<u>8037</u> _____
Department _____	Contact _____	Extension _____
Date of Previous Briefing: _____		
Estimated Expenditure: _____		Presentation Planned <input type="checkbox"/>

ACTION REQUIRED:

- Decision Preparation
- Policy Discussion
- Policy Decision
- Statutory
- Incidental (Information)
- Monitoring Report

SUMMARY STATEMENT:

Identify the relevant Board policies and impacts:

Governance Process, Board Job Description: GP-3(4) ... a non-delegable, statutorily assigned Board duty as defined under RCW 54.12.090 - minutes.

List Attachments:
Preliminary Minutes

**PRELIMINARY
SNOHOMISH COUNTY PUBLIC UTILITY DISTRICT**

Regular Meeting

December 6, 2022

The Regular Meeting was convened by Vice President Rebecca Wolfe at 8:03 a.m. Those attending were Sidney Logan, Secretary; Interim General Counsel Jeff Kallstrom; Assistant General Managers Pam Baley (virtually), and Jason Zyskowski; Interim Assistant General Manager Karen Latimer; Chief Financial Officer Scott Jones; other District staff; members of the public; Commission & Executive Services Director Melissa Collins; Clerk of the Board Allison Morrison; and Deputy Clerk of the Board Jenny Rich. President Tanya Olson joined the meeting at 8:06 a.m.

*** Items Taken Out of Order**

****Non-Agenda Items**

1. OFFICE OF THE WASHINGTON STATE AUDITOR (SAO)

A. Exit Conference

Thomas Bernard, Courtney Amonsens, and Kristina Baylor with the Office of the Washington State Auditor (SAO) provided a presentation and facilitated a discussion of the State Auditor's office review on the Clean Energy Transformation Act (CETA), renewables and affirmed the work performed by Moss Adams for the financial statement and grant audit work.

The meeting recessed at 8:37 a.m.

RECONVENE REGULAR MEETING

The Regular Meeting was reconvened by Vice President Rebecca Wolfe at 9:00 a.m. Those attending were Tanya Olson, President; Sidney Logan, Secretary; Interim General Counsel Jeff Kallstrom; Assistant General Managers Pam Baley (virtually), and Jason Zyskowski; Interim General Manager Karen Latimer; Chief Financial Officer Scott Jones; Chief Information Officer Kristi Sterling (virtually); other District staff; members of the public; Commission & Executive Services Director Melissa Collins; Clerk of the Board Allison Morrison; and Deputy Clerk of the Board Jenny Rich.

2. CEO/GENERAL MANAGER BRIEFING AND STUDY SESSION

A. Updates

1. Media. Communications, Marketing & Business Readiness Director Julee Cunningham reported on District related news and articles.
2. Other. There were no other topics.

B. Audit Activity Update

Senior Manager Controller and Auditor Julia Anderson provided the annual summary of the District's various audit activities that were completed this year or were still in progress.

C. Mt. Index River Sites Community Club Access Easement

Manager Real Estate Services Maureen Barnes presented to the Board a request to declare surplus a portion of road located across District fee owned land and allow Real Estate Services to execute an easement for access.

The next step was a Public Hearing and Action at the December 20, 2022, Commission meeting for approval of a resolution declaring the land as surplus and allowing Real Estate Services to execute an easement for access.

D. Investment Policy Updates

Banking & Fiscal Coordinator Lauren Way briefed the Board on proposed changes to the Investment Policy.

The next step would be the consideration of a resolution for approval of proposed investment policy changes at the December 20, 2022, Commission meeting.

E. Pilot Small Distributed Generation Rate Schedule

Senior Manager Rates, Economics, & Energy Risk Management Brian Booth presented an update to the pilot rate schedule for distributed generation, that included recommendations for a one-year extension, an update on pricing, and opening the pilot to general customers.

The next step would be a Public Hearing at the December 20, 2022, Commission meeting for consideration to extend the pilot rate schedule and if the extension would be approved; develop a long-term pricing strategy for Board consideration in late 2023.

EXECUTIVE SESSION

The Regular Meeting recessed at 10:06 a.m. and reconvened at 10:12 a.m. in Executive Session to discuss the performance of a public employee, under the terms set forth in the Open Public Meetings Act. It was anticipated the Executive Session would last approximately 30 minutes, with no public announcements. Those in attendance were Commissioners Tanya Olson, Rebecca Wolfe, and Sidney Logan; Interim General Counsel Jeff Kallstrom; and Commission & Executive Services Director Melissa Collins. The Regular Meeting recessed immediately upon conclusion of the Executive Session at 10:21 a.m.

RECONVENE REGULAR MEETING

The Regular Meeting was reconvened by President Tanya Olson at 1:30 p.m. Those attending were Rebecca Wolfe, Vice-President; Sidney Logan, Secretary; Interim General Counsel Jeff Kallstrom; Assistant General Managers Pam Baley (virtually), and Jason Zyskowski; Interim General Manager Karen Latimer; Chief Financial Officer Scott Jones; Chief Information Officer Kristi Sterling (virtually); other District staff; members of the public; Commission & Executive Services Director Melissa Collins; Clerk of the Board Allison Morrison; and Deputy Clerk of the Board Jenny Rich.

*** Items Taken Out of Order******Non-Agenda Items**

The meeting recessed at 1:34 p.m. for technical difficulties and reconvened at 1:39 p.m.

3. RECOGNITION/DECLARATIONS**A. Employee of the Month for December - Suzy Oversvee**

Suzy Oversvee was recognized as Employee of the Month for December.

4. COMMENTS FROM THE PUBLIC

There were no comments from the public.

5. CONSENT AGENDA**A. Approval of Minutes for the Regular Meeting of November 15, 2022****B. Bid Awards, Professional Services Contracts and Amendments**

Public Works Contract Award Recommendations:

Request for Proposal No. 22-1329-SC with Sturgeon Electric Company, Inc.

Formal Bid Award Recommendations \$120,000 and Over:

None

Professional Services Contract Award Recommendations \$200,000 and Over:

Professional Services Contract No. CW2249615 with US Bank, National Association

Miscellaneous Contract Award Recommendations \$200,000 and Over:

None

Interlocal Agreements and Cooperative Purchase Recommendations:

Contracts:

Outline Agreement Number: 4600003687 with Anixter, Inc.

Amendments:

None

Sole Source Purchase Recommendations:

None

Emergency Declarations, Purchases and Public Works Contracts:

None

Purchases Involving Special Facilities or Market Condition Recommendations:

None

Formal Bid and Contract Amendments:

Professional Services Contract No. CW2239483 with Z2 Solutions LLC

Professional Services Contract No. CW2241732 with Confluence Engineering Group LLC

Professional Services Contract No. CW2242399 with Stoel Rives LLP

Professional Services Contract No. CW2242537 with Robert Half International Inc. dba Accountemps

Professional Services Contract No. CW2244435 with Goldfarb & Huck, Roth, Riojas PLLC

Contract Acceptance Recommendations:

Public Works Contract No. CW2238556 with JR Merit, Inc.

C. Consideration of Certification/Ratification and Approval of District Checks and Vouchers

A motion unanimously passed approving Agenda Items 5A – Approval of Minutes for the Regular Meeting of November 15, 2022; 5B – Bid Awards, Professional Services Contracts and Amendments; and 5C - Consideration of Certification/Ratification and Approval of Checks and Vouchers.

6. PUBLIC HEARING AND ACTION

A. Consideration of a Resolution Adopting the 2023 Budget for Public Utility District No. 1 of Snohomish County, Washington

A motion unanimously passed approving Resolution No. 6093 adopting the 2023 budget for Public Utility District No. 1 of Snohomish County, Washington.

7. ITEMS FOR INDIVIDUAL CONSIDERATION

A. Consideration of a Motion Accepting the Financial Planning and Budgeting Monitoring Report

A motion unanimously passed accepting the Financial Planning and Budgeting Monitoring Report.

B. Consideration of a Resolution Authorizing the Assistant General Manager, Distribution and Engineering Services, of Public Utility District No. 1 of Snohomish County to Execute a Master License Agreement With DISH Wireless, LLC., Establishing Terms and Conditions Regarding the Licensing of Wireless Communication Facilities on District Property

A motion unanimously passed approving Resolution No. 6094 authorizing the Assistant General Manager, Distribution and Engineering Services, of Public Utility District No. 1 of Snohomish County to execute a Master License Agreement with DISH Wireless, LLC., establishing terms and conditions regarding the licensing of wireless communication facilities on District property.

- C. Consideration of a Resolution Authorizing the Assistant General Manager, Distribution and Engineering Services, of Public Utility District No. 1 of Snohomish County to Execute a Master License Agreement With SNO911 and a Memorandum of Understanding With SNO911 and the City of Mountlake Terrace

A motion unanimously passed approving Resolution No. 6095 authorizing the Assistant General Manager, Distribution and Engineering Services, of Public Utility District No. 1 of Snohomish County to execute a Master License Agreement with SNO911 and a Memorandum of Understanding with SNO911 and the City of Mountlake Terrace.

- D. Consideration of a Resolution Amending the 2021 Clean Energy Implementation Plan With a Climate Commitment Act Appendix

A motion unanimously passed approving Resolution No. 6096 amending the 2021 Clean Energy Implementation Plan with a Climate Commitment Act appendix.

8. COMMISSION BUSINESS

- A. Commission Reports

There were no Commission reports.

- B. Commissioner Event Calendar

There were no changes to the Commissioner Event Calendar.

- C. Consideration of Election of Commission Officers for the Year 2023

A motion passed electing the Commission Officers for the year 2023 as follows: Rebecca Wolfe, President; Sidney Logan, Vice President; and Tanya Olson, Secretary. Following a discussion about the nominations, the vote was Commissioner Olson: Aye, Commissioner Wolfe: Aye; Commissioner Logan: Nay.

- D. 2022 Budget, Forecast, and Major Project Status Report – October

Staff responded to questions regarding the 2022 Budget, Forecast, and Major Project Status Report.

9. GOVERNANCE PLANNING

A. Governance Planning Calendar

There were no changes to the Governance Planning Calendar.

B. Proposed 2023 Governance Planning Calendar

There were no changes to the Proposed 2023 Governance Planning Calendar.

ADJOURNMENT

There being no further business or discussion to come before the Board, the Regular Meeting of December 6, 2022, adjourned at 2:08 p.m. An audio file of the meeting is on file in the Commission Office and available for review.

Approved this 20th day of December, 2022.

Secretary

President

Vice President

**PRELIMINARY
SNOHOMISH COUNTY PUBLIC UTILITY DISTRICT**

Special Meeting

December 13, 2022

The Special Meeting was convened by President Tanya Olson at 8:01 a.m. Those attending were Sidney Logan, Secretary; CEO/General Manager John Haarlow; Interim General Counsel Shawn Aronow; Interim Assistant General Manager Karen Latimer; Chief Financial Officer Scott Jones; Chief Information Officer Kristi Sterling; other District Staff; members of the public; Commission & Executive Services Director Melissa Collins; Clerk of the Board Allison Morrison; and Deputy Clerks of the Board Jenny Rich and Morgan Stoltzner. Vice President Rebecca Wolfe joined the meeting virtually at 8:05 a.m.

SNOHOMISH COUNTY PUD BROADBAND STUDY: FINDINGS & CONSIDERATIONS

CEO/General Manager John Haarlow provided opening comments for the informational workshop on the Snohomish County PUD Broadband Study: Findings & Considerations.

ITS Security Architect Kevin Johnston and Manager Telecommunications Nick Johnston provided a presentation at places, by reference made a part of the packet, to brief and inform the Board on the results of the Snohomish County PUD Broadband Study.

The meeting recessed at 9:34 a.m. and reconvened at 9:44 a.m.

The workshop continued with the presentation and discussion with the Board.

The next steps would be consideration of repealing the directive prohibiting broadband Internet Service Providers (ISP) from leasing our current dark fiber; assess ways to bolster our current engagement with service providers and consideration of information for a baseline on potential future partnerships.

ADJOURNMENT

There being no further discussion, the Special Meeting of December 13, 2022, adjourned at 10:46 a.m.

Approved this 20th day of December, 2022.

Secretary

President

Vice President



BUSINESS OF THE COMMISSION

Meeting Date: December 20, 2022

Agenda Item: 4B

TITLE

CEO/General Manager's Report of Public Works Contract Award Recommendations; Formal Bid Award Recommendations; Professional Services Contract Award Recommendations; Miscellaneous Contract Award Recommendations; Cooperative Purchase Recommendations; Sole Source Purchase Recommendations; Emergency Declarations, Purchases and Public Works Contracts; Purchases Involving Special Facilities or Market Condition Recommendations; Formal Bid and Contract Amendments; and Contract Acceptance Recommendations

SUBMITTED FOR: Consent Agenda

<u>Contracts/Purchasing</u>	<u>Clark Langstraat</u>	<u>5539</u>
<i>Department</i>	<i>Contact</i>	<i>Extension</i>
Date of Previous Briefing: _____		
Estimated Expenditure: _____		Presentation Planned <input type="checkbox"/>

ACTION REQUIRED:

- Decision Preparation
- Policy Discussion
- Policy Decision
- Statutory
- Incidental (Information)
- Monitoring Report

SUMMARYs STATEMENT:

Identify the relevant Board policies and impacts:
Governance Process, Board Job Description, GP-3(4) ... non-delegable, statutorily assigned Board duty – Contracts and Purchasing.

The CEO/General Manager's Report of Public Works Contract Award Recommendations; Formal Bid Award Recommendations \$120,000 and Over; Professional Services Contract Award Recommendations \$200,000 and Over; Miscellaneous Contract Award Recommendations \$200,000 and Over; Cooperative Purchase Recommendations; Sole Source Purchase Recommendations; Emergency Declarations, Purchases and Public Works Contracts; Purchases Involving Special Facilities or Market Condition Recommendations; Formal Bid and Contract Amendments; and Contract Acceptance Recommendations contains the following sections:

- Public Works Contract Award Recommendations (Pages 1 - 2);
- Request for Proposal No. 22-1328-KS with Asplundh Tree Expert, LLC
- Request for Proposal No. 22-1333-SC with Davey Tree Surgery Company

Formal Bid Award Recommendations \$120,000 and Over (Page 3);
Request for Quotation No. 22-1331-CS with Electro Technical Industries, Incorporated,
dba ETI

Professional Services Contract Award Recommendations \$200,000 and Over (Page 4);
Request for Proposal No. 22-1281-AR with Eyemed

Miscellaneous Contract Award Recommendations \$200,000 and Over (Page 5);
Request for Proposal No. 21-1200-HL with AT&T

Interlocal Agreements and Cooperative Purchase Recommendations (Pages 7 - 8);

Contracts:

Purchase Order No. 4500080777 with Celco Partnership dba Verizon Wireless
Contract No. CW2248381 with Clean Harbors Environmental Services, Inc.

Amendments:

None

Sole Source Purchase Recommendations;

None

Emergency Declarations, Purchases and Public Works Contracts;

None

Purchases Involving Special Facilities or Market Condition Recommendations;

None

Formal Bid and Contract Amendments (Pages 9 - 10);

Public Works Contract No. CW2244780 with Trico Companies LLC

Public Works Contract No. CW2248032 with Reece Construction Company

Contract Acceptance Recommendations;

None

List Attachments:

December 20, 2022 Report

**Public Works Contract Award Recommendation(s)
December 20, 2022**

RFP No. 22-1328-KS

O&M and Capital Tree Trimming
Unit Price (Hourly Rate)
Transmission and Distribution
Line Clearance

No. of Bids Solicited:	6	
No. of Bids Received:	3	
Project Leader & Phone No.:	Randy Packebush	Ext. 5629
Estimate:	\$2,700,000.00	

Contract work consists of providing all labor, material and equipment necessary to trim, cut, treat, remove, clear, and dispose of trees and brush, as well as perform reseeding work and application of herbicides under and along the District’s distribution and/or transmission system as directed by the District. The location of the work is within the boundaries of the District’s service area, which includes all of Snohomish County, the Camano Island portion of Island County, and portions of Skagit and King Counties. The District intends this contract to run from the notice to proceed date through December 31, 2023 with an option to renew for up to one additional year.

<u>Contractor</u>	<u>Subtotal (tax n/a)</u>
Award To: Asplundh Tree Expert, LLC	\$2,513,124.00
Wright Tree Service, Inc.	\$3,167,328.00
Davey Tree Surgery Company	\$3,676,410.80

Summary Statement: The bid submitted by Asplundh Tree Expert, LLC was in the amount of \$2,483,245.00 and contained errors totaling \$29,879.00. The Proposal indicates in Bid Item 1 “One (1) fully equipped work unit, as described in Section 11 of the Specification.” Using Asplundh’s bidder-supplied prices for each labor classification and equipment starting on page 3 of the Proposal, Bid Items 1a and 1b have been unilaterally corrected.

The District’s Instructions to Bidders, Section 1.7.b, allow staff to waive minor errors or irregularities in any bid if it appears to the District that such errors or irregularities were made through inadvertence and are not material. These corrections are not material, as they are a baseline used to compare bids as a work unit (crew structure and equipment). Crew structure is reviewed and adjusted daily based on work assignments.

Staff recommends award to Asplundh Tree Expert, LLC, the low evaluated bidder, in the Not-to-Exceed amount of \$2,513,124.00, tax n/a.

The bids submitted by Wright Tree Service, Inc., and Davey Tree Surgery Company both exceed the engineer’s estimate by more than 15% and are therefore rejected.

Public Works Contract Award Recommendation(s)
December 20, 2022

RFP No. 22-1333-SC

South Camano Circuits 12-1530
& 12-1532; Transmission and
Distribution Line Clearance

No. of Bids Solicited:	6
No. of Bids Received:	2
Project Leader & Phone No.:	Randy Gusa Ext. 5608
Estimate:	\$710,000.00

Contract work consists of providing all labor, tools, materials, supplies and equipment necessary to prune, cut, treat, remove, clear, and dispose of trees and brush, as well as perform reseeding work, under and along the District's transmission and/or distribution system, and includes all associated taps, as indicated. Work to be performed is located on Camano Island, Island County, Washington. The total distance to be covered on this project is approximately 44.9 pole miles.

<u>Contractor</u>	<u>Subtotal (w/o tax)</u>
Award To: Davey Tree Surgery Company	\$764,977.00
Kemp West Inc.	\$812,950.00

Summary Statement: Staff recommends award to Davey Tree Surgery Company, the low evaluated bidder, in the amount \$764,977.00, plus tax.

**Formal Bid Award Recommendation(s) \$120,000 And Over
December 20, 2022**

RFQ No. 22-1331-CS

One 13.8 kV Metal-Clad Switchgear

No. of Bids Solicited:	8
No. of Bids Received:	2
Project Engineer & Phone No.:	Sanjeev Farwaha Ext.4303
Material Estimate:	\$1,000,000.00

This unit will be installed at Jennings Park Substation. Metal-Clad Switchgear contains the distribution circuit breakers as well as the protection, control, metering, and communication equipment for monitoring and operating the substation both locally and remotely.

Vendor

Subtotal (w/o tax)

Electro Technical Industries, Incorporated, Dba ETI

\$934,076.00

Myers Power Products, Incorporated

\$1,195,000.00

Summary Statement: Staff recommends award to Electro Technical Industries, Incorporated, dba ETI, the low evaluated responsible bidder meeting the District's specification in the amount of \$934,076.00, plus tax.

**Professional Services Contract Award Recommendation(s) \$200,000 And Over
December 20, 2022**

RFP 22-1281-SR
Vision Hardware Third
Party Administrator

No. of Bids Solicited:	4	
No. of Bids Received:	2	
Project Leader & Phone No.:	Dana Pollow	Ext. 8735
Contract Term:	NTP – 12/31/24	

	<u>Consultant</u>	<u>Not-to-Exceed Amount (tax n/a)</u>
Award To	Eyemed	N/A

The District issued an RFP seeking proposals from qualified vendors to provide administration of its vision hardware benefit. Currently, the District is fully insured through EyeMed for this benefit. Vendors were asked to submit a proposal for an insured plan only, administration of a self-funded plan only, or proposals for both.

RFP's were sent to four vendors and two responded with proposals. A sub-committee of the District's Benefit Advisory Committee (BAC) reviewed these responses and based on the RFP selection criteria recommended that the District continue with the current vendor primarily based on their competitive costs and no disruption to employees. The sub-committee recommended to change from fully funded to a self-funded program. Also, the benefit will be enhanced by allowing frames, lenses and contact lenses to be purchased in the same year.

This recommendation was agreed to by the full BAC, the Voluntary Employee Benefits Association (VEBA) Committee and the International Brotherhood of Electrical Workers Local No. 77 (IBEW).

If approved, the new agreement will take effect January 1, 2023 with a two year self-insured administrative rate guarantee.

The expenditures (monthly premiums) under the EyeMed contract are fully paid by employees through payroll deduction. No monies for this contract are coming from District assets. Based on current enrollment, total annual premiums paid to EyeMed are estimated at \$72,000 per contract year. The contract allows for rate adjustments based on annual analyses.

**Miscellaneous Services Award Recommendation(s) \$200,000 And Over
December 20, 2022**

RFP 21-1200-HL

Contact/Call Center System Replacement

Project Leader & Phone No.:	Mridula Sharma	Ext. 8322
Estimate:	\$5,000,000.00	

	<u>Vendor</u>	<u>Subtotal (w/o tax)</u>
Award To:	AT&T	\$5,130,355.00

Summary Statement: On August 25, 2021, the District issued an RFP to replace its existing on-premise Contact/Call Center system with a cloud-based Contact Center as a Service (CCaaS) solution that includes all the necessary hardware, software, technical professional services, and five years of ongoing support services. The reporting capabilities of the current on-premise Contact/Call Center system are past their end of life and will no longer be supported as of June 30, 2023. The new CCaaS solution will allow for an improved overall experience for both customers and staff, as well as providing customers new options to contact the District.

Of the 12 responses received for this RFP 11 were determined to meet the District’s minimum requirements and further evaluated according to the RFP’s stated criteria..

Based on this evaluation AT&T, Cerium and InContact were short-listed and invited to discuss their proposals in greater detail. After evaluating the proposals staff is recommending AT&T’s CCaaS solution as the solution that best meets the District’s needs. This recommendation is based on the following:

- An enhanced customer experience
- Consolidation and major upgrade for Agent and Supervisor tools (single sign-on),
- The platform meets the District's current and future business requirements
- The proposed software will integrate with SAP and other District systems
- A single platform for all the call center requirements including Workforce Management and Quality Monitoring
- Improved integrated reporting of cloud systems

The services described above will be provided pursuant to a Master Services Agreement which is already in place. AT&T has been successfully providing telephone services to the District since 2008. In 2017, AT&T was awarded a contract resulting from a competitive process which allowed the District to consolidate telephony services, obtain better pricing, and improve reliability of the systems.

Therefore, staff recommends approval of Amendment No. 6 to contract number CW2230271 to reflect the award of services pursuant to RFP 21-1200-HL, Contact Center Phone Replacement, for the provision of professional services to implement the Contact/Call Center and five years of Contact Center as a Service (CCaaS) This amendment will increase the contract by \$5,130,355.00 and extend the contract term to

Summary
Statement
(continued):

January 4, 2028. After the initial five-year term, the District will have the option to renew the CCaaS for two additional five-year terms and renewal pricing will not increase by more than 6%.

The award amount is an estimate based on the current planned design. However, the design may be updated after the implementation process begins. If changes are required that cause an increase in cost and in accordance with District procurement practices, staff will return to the Commission for approval of any required additional funds.

By approval of this bid award recommendation, the Board authorizes the District's CEO/General Manager or his designee to enter into the necessary amendment with AT&T in a form approved by General Counsel, for provision of the necessary services for an initial five-year term and a not-to-exceed amount of \$5,130,355.00 in accordance with the terms and conditions described above and additional terms and conditions mutually acceptable to the parties.

Cooperative Purchase Recommendations December 20, 2022

State law permits a public agency to purchase from a contract entered into by another public agency as long as the contract is determined to have been awarded in compliance with the bidding requirements of the agency seeking to make the purchase, provided that the requirement for advertising or providing notice for bids is deemed satisfied if the awarding entity advertises according to its own bidding requirements, and either (i) posts the advertisement on any website sponsored by a public agency, purchasing cooperative or similar service provider, or (ii) provides an access link on the state's web portal to the notice. District staff have verified through documentation and/or individual questions to the applicable awarding entity that the bid process used for each purchase recommended below meets the District's procurement requirements.

Accordingly, staff recommends approval of the following contracts/amendments:

CONTRACTS:

Awarded Vendor Name: Cellco Partnership dba Verizon Wireless \$1,200,000.00
Purchase Order Number 4500080777
Department of Enterprises (DES) Master Usage Agreement Number K2295
Washington State Participating Master Agreement # 04718
NASPO ValuePoint Master Price Agreement Number MA152

District cellular services, and iPhone and iPad procurement/replacement

The District leverages mobile technology to support the District's business operations, field operations, storm support, and customer service delivery. Mobile Workforce Management requires mobile devices for outage/storm response, work management, crew scheduling, asset management, energy efficiency, and fleet/warehouse management. Mobile devices also support the District's safety programs by ensuring employees can immediately report emergencies and photo document safety concerns or incidents.

The costs for this contract include cellular service and equipment. The District has seen an increase in mobile device usage by departments to support field operations and the District's remote and hybrid work. Staff expect that these costs will be sufficient for District requirements through the end of 2023. The District utilizes the NASPO ValuePoint cooperative contract, which provides competitive pricing.

Project Lead: Melissa Witzel, Ext: 8523

Cooperative Purchase Recommendations December 20, 2022

State law permits a public agency to purchase from a contract entered into by another public agency as long as the contract is determined to have been awarded in compliance with the bidding requirements of the agency seeking to make the purchase, provided that the requirement for advertising or providing notice for bids is deemed satisfied if the awarding entity advertises according to its own bidding requirements, and either (i) posts the advertisement on any website sponsored by a public agency, purchasing cooperative or similar service provider, or (ii) provides an access link on the state's web portal to the notice. District staff have verified through documentation and/or individual questions to the applicable awarding entity that the bid process used for each purchase recommended below meets the District's procurement requirements.

Accordingly, staff recommends approval of the following amendment:

A. AMENDMENTS

Contractor/Consultant/Supplier: Clean Harbors Environmental Services, Inc.

Contract Number: CW2248381

Amendment No. 2

Washington State Department of Enterprise Services (DES) Master Usage Agreement Number K2295

State Contract No. 03614

Summary of Amendment: Removal and disposal of electrolyte from MESA 2 requires additional tasks and labor.

Project Lead: Bob Anderson, Ext. 4309

Original Contract Amount:	\$ 784,473.08		
Present Contract Amount:	\$ 784,473.08	Original Start/End:	9/6/22 – 12/31/22
Amendment Amount:	\$ 506,868.83	Present Start/End:	9/6/22 – 3/31/23
New Contract Amount:	\$1,291,341.91	New End Date:	N/A

This contract was approved by Commission on September 6, 2022 and entails the removal, transportation and proper disposal of approximately 97,000 gallons of vanadium electrolyte (hazardous waste) from the District's failed MESA 2 battery system. Approximately 60 to 70 percent of the electrolyte has been removed and the work is ongoing.

Because of the large amount of electrolyte and its chemical makeup additional labor and material are required to complete the work. Primarily, the end disposal facility is limiting the amount and frequency of electrolyte deliveries which has extended the project timeline and added to the labor cost. Additionally, the scope of the project was increased so the contractor could remove and dispose of neutralized rainwater containing small amounts of electrolyte solution from the secondary containment berm.

Staff recommends approval of Amendment No. 2 to increase the contract amount by \$506,868.83 to support additional vendor labor, PPE and material required to complete the project.

Summary of Amendments:

Amendment No. 1 dated November 9, 2022, extended the contract term to March 31, 2023 due to schedule delays from multiple challenges dealing with highly acidic electrolyte.

Formal Bid and Contract Amendment(s)
December 20, 2022

PWC No. CW2244780
Culmback Dam Maintenance
Building

Contractor/Consultant/Supplier:	Trico Companies LLC	
Project Leader & Phone No.:	Sue Frese	Ext. 8171
Amendment No.:	5	
Amendment:	\$92,657.00	

Original Contract Amount:	\$459,800.00	Original Start/End:	07/26/21 – 07/31/22
Present Contract Amount:	\$459,800.00	Present Start/End:	07/26/21 – 12/09/22
Amendment Amount:	\$ 92,657.00	New End Date:	No change
New Contract Amount:	\$552,457.00		

Summary Statement: Staff recommend approval of Amendment No. 5 to increase the contract by \$92,657.00 for increased material costs due to market volatility and unforeseen changes to the work. All work was completed December 9, 2022.

Material prices increased significantly due to delays of the project's start caused by a lengthy permitting process and inclement weather.

Additional changes were required to re-route the storm system and implement design changes to the roof and roll-up door.

Amendment No. 1 extended the contract end date to October 1, 2022.

Amendment No. 2 extended the contract end date to October 31, 2022.

Amendment No. 3 extended the contract end date to December 20, 2022.

Amendment No. 4 was administrative only.

Formal Bid and Contract Amendment(s)
December 20, 2022

PWC No. CW2248032

Twin City Restoration; Pioneer Hwy
And 72nd Avenue NW, Stanwood

Contractor/Consultant/Supplier:	Reece Construction Company	
Project Leader & Phone No.:	JC Dahlbeck	Ext. 4489
Amendment No.:	3	
Amendment:	\$65,890.90	

Original Contract Amount: \$241,675.00
Present Contract Amount: \$241,675.00
Amendment Amount: \$65,890.90
New Contract Amount: \$307,565.90

Original Start/End: 8/4/2022 – 9/2/2022
Present Start/End: 8/4/2022 – 9/30/2022
New End Date: n/a

Summary Statement: Staff recommends approval of Amendment No. 1 to increase the contract by \$65,890.90 for actual quantities used. All work was completed on September 30, 2022.

Amendment No. 1 dated September 1, 2022 extended the completion date to September 16, 2022.

Amendment No. 2 dated September 16, 2022 extended the completion date to September 30, 2022.



CERTIFICATION/RATIFICATION AND APPROVAL

We, the undersigned of the Public Utility District No. 1 of Snohomish County, Everett, Washington, do hereby certify that the merchandise or services hereinafter specified have been received, and the Checks or Warrants listed below are ratified/approved for payment this 20th day of December 2022.

CERTIFICATION:

Certified as correct:

CEO/General Manager
Julia A Anderson

Auditor
[Signature]

Chief Financial Officer/Treasurer

RATIFIED AND APPROVED:

Board of Commissioners:

President

Vice-President

Secretary

TYPE OF DISBURSEMENT	PAYMENT REF NO.	DOLLAR AMOUNT	PAGE NO.
REVOLVING FUND			
Customer Refunds, Incentives and Other	1120977 - 1121236	\$100,232.70	2 - 10
Electronic Customer Refunds		\$10,651.58	11 - 13
WARRANT SUMMARY			
Warrants	8071358 - 8071574	\$3,048,190.91	14 - 20
ACH	6034256 - 6034632	\$8,854,495.95	21 - 32
Wires	7002700 - 7002707	\$8,413,226.82	33
Payroll - Direct Deposit	5300000731 - 5300000731	\$4,583,606.39	34
Payroll - Warrants	844814 - 844823	\$29,369.31	34
Automatic Debit Payments	5300000729 - 5300000736	\$30,761,580.88	35
	GRAND TOTAL	\$55,801,354.54	

Detailed Disbursement Report

Revolving Fund - Customer Refunds, Incentives and Other			
Payment Date	Payment Ref Nbr	Payee	Amount
11/28/22	1120977	JUSTIN FAGERLAND	\$44.50
11/28/22	1120978	ALBERTO LOPEZ	\$32.43
11/28/22	1120979	REECE CONSTRUCTION CO	\$34.98
11/28/22	1120980	LYELL IMMUNOPHARMA INC	\$18,065.95
11/28/22	1120981	JUDITH OLEARY	\$910.26
11/28/22	1120982	LYNNWOOD BEAVER CREEK LLC	\$30.59
11/28/22	1120983	JOHN DUCE	\$49.65
11/28/22	1120984	CITY OF SNOHOMISH	\$38.04
11/28/22	1120985	MURIEL WEEKS	\$43.58
11/28/22	1120986	RIVANA AMARAL	\$206.15
11/28/22	1120987	CALIFORNIA LAND MANAGEMENT	\$51.25
11/28/22	1120988	VOID	\$0.00
11/28/22	1120989	WOODLAND GREENS GJJ LLC	\$17.98
11/28/22	1120990	ELIZABETH KAZADAYEV	\$146.25
11/28/22	1120991	HAMADAH OMER	\$185.91
11/28/22	1120992	PAMELA DEGROOT	\$493.01
11/28/22	1120993	ROBERT MACDONALD	\$8.51
11/28/22	1120994	NATHALIE BORGES DEJESOS VIERA	\$51.41
11/28/22	1120995	PACIFIC RIM INVESTMENT & MANAGEMENT	\$239.40
11/28/22	1120996	JUNGKUK KIM	\$64.46
11/28/22	1120997	ADAMANT HOMES INC	\$38.37
11/28/22	1120998	ERNEST BELOUSEK	\$1,537.60
11/29/22	1120999	CHARLES GUNN	\$68.14
11/29/22	1121000	TAYLOR ROBERTS	\$26.66
11/29/22	1121001	HUGH EMPEY	\$513.31
11/29/22	1121002	STEVEN TAN	\$21.42
11/29/22	1121003	GREG CRUNKILTON	\$27.06
11/29/22	1121004	JACOB BRANDENBURG	\$51.25
11/29/22	1121005	JESSICA HAN	\$114.50
11/29/22	1121006	ERIC MATTHEWS	\$17.42
11/29/22	1121007	ELIZABETH ADAMS	\$610.93
11/29/22	1121008	EMILY JUNG	\$99.90

Detailed Disbursement Report

Revolving Fund - Customer Refunds, Incentives and Other			
Payment Date	Payment Ref Nbr	Payee	Amount
11/29/22	1121009	ELLINOR KALLSTROM	\$137.11
11/29/22	1121010	WINSTON ALLEN	\$148.91
11/29/22	1121011	ROSETTA WELLS	\$105.41
11/29/22	1121012	KERSTIN KULSETH	\$125.09
11/29/22	1121013	RACHELLE BRUMLEY	\$439.61
11/29/22	1121014	A THING OF BEAUTY	\$157.37
11/29/22	1121015	PULTE HOMES OF WASHINGTON, INC.	\$41.34
11/29/22	1121016	MADISON PARK APTS	\$30.86
11/29/22	1121017	AMY CIARAVINO	\$26.63
11/29/22	1121018	PULTE HOMES OF WASHINGTON, INC.	\$415.08
11/29/22	1121019	PULTE HOMES OF WASHINGTON, INC.	\$17.09
11/29/22	1121020	PULTE HOMES OF WASHINGTON, INC.	\$85.86
11/29/22	1121021	MIHAEL MARINOV	\$86.40
11/29/22	1121022	ROBERT MCDOWELL	\$5.32
11/29/22	1121023	SHIRLEY GREEN	\$610.03
11/29/22	1121024	THE TIMBERS BY VINTAGE, LP	\$16.85
11/29/22	1121025	ISBE CORP DBA THE MARTIN AT MEADOWDALE	\$47.58
11/29/22	1121026	LUZ NELLY RALSTON	\$37.39
11/29/22	1121027	DEVON ROBINSON	\$254.21
11/29/22	1121028	PULTE HOMES OF WASHINGTON, INC.	\$95.18
11/29/22	1121029	JSP LATITUDE LLC	\$31.80
11/29/22	1121030	NEAL WITMER	\$146.75
11/29/22	1121031	JAMES MIDDLETON	\$142.14
11/29/22	1121032	CHUL PARK	\$19.30
11/29/22	1121033	EDITH ABRAMSON	\$267.39
11/29/22	1121034	CARLA SPOON	\$27.04
11/29/22	1121035	VOID	\$0.00
11/29/22	1121036	SELBI DZHAFAROVA	\$147.38
11/29/22	1121037	BAILEY SANCHEZ	\$118.05
11/29/22	1121038	EDRA RICHARDSON	\$470.34
11/29/22	1121039	WENDELL BUNDY	\$35.66
11/29/22	1121040	LESLIE GARON	\$13.09

Detailed Disbursement Report

Revolving Fund - Customer Refunds, Incentives and Other			
Payment Date	Payment Ref Nbr	Payee	Amount
11/29/22	1121041	CONSUELO LEDESMA	\$224.10
11/29/22	1121042	JEFF SCHAIBLE	\$140.60
11/29/22	1121043	DANE FRENCH	\$126.62
11/29/22	1121044	JEAN MASON	\$137.08
11/29/22	1121045	SHERRI HARRING	\$208.34
11/29/22	1121046	CHRISTOPHER TOWNER	\$16.29
11/29/22	1121047	PATRICIA NIELSEN	\$223.81
11/29/22	1121048	MARTHA BAGWELL	\$21.25
11/29/22	1121049	CODIE GARDNER	\$307.24
11/29/22	1121050	PULTE HOMES OF WASHINGTON, INC.	\$32.44
11/29/22	1121051	STEVEN BROOM	\$119.43
11/29/22	1121052	LISA HOWARD	\$505.19
11/29/22	1121053	TLUS RISE LYNNWOOD LIMITED PARTNERSHIP	\$279.22
11/29/22	1121054	EXPRESS CORPORATE HOUSING	\$177.57
11/29/22	1121055	WILLIAM ZAKERI	\$54.15
11/29/22	1121056	JOHNEY BOWDEN	\$90.55
11/29/22	1121057	DANIELA BRAVO-MORENO	\$147.13
11/29/22	1121058	ANTHONY VINT	\$164.00
11/29/22	1121059	MATTHEW GIACOMINI	\$48.89
11/29/22	1121060	JUSTIN DAYTON	\$53.30
11/29/22	1121061	TARRAN CHAMBERS	\$78.61
12/1/22	1121062	ALEX LEONG	\$34.02
12/1/22	1121063	CITY OF MARYSVILLE	\$46.12
12/1/22	1121064	VEENA WAGHAMARE	\$14.80
12/1/22	1121065	YI TANG	\$91.46
12/1/22	1121066	J & G ACQUISITIONS LLC	\$102.54
12/1/22	1121067	JOSHUA CORT	\$32.53
12/1/22	1121068	TERRY GRINAKE	\$1,042.74
12/1/22	1121069	CHARLES MADDEN	\$1,000.00
12/1/22	1121070	JENNY THAI	\$150.00
12/1/22	1121071	JASON VOSHALL	\$257.47
12/1/22	1121072	PROJECT PRIDE	\$3,626.75

Detailed Disbursement Report

Revolving Fund - Customer Refunds, Incentives and Other			
Payment Date	Payment Ref Nbr	Payee	Amount
12/1/22	1121073	SUSAN PETERSON	\$50.00
12/1/22	1121074	LENNAR NORTHWEST INC	\$15.36
12/1/22	1121075	EDWARDS BLOODSAW	\$213.07
12/1/22	1121076	MCCLELLAN RING CO	\$16.85
12/1/22	1121077	MCCLELLAN RING CO	\$36.34
12/1/22	1121078	TIMOTHY CHRISTENSEN	\$12.39
12/1/22	1121079	BENJAMIN CLAWSON	\$445.86
12/1/22	1121080	JEFF BEVINS	\$0.12
12/1/22	1121081	BALASUBRAHMANYA KOSANAM	\$142.01
12/1/22	1121082	HYUNG KIM	\$137.51
12/1/22	1121083	MARY GRANATH	\$431.23
12/1/22	1121084	HOUSING HOPE	\$583.80
12/1/22	1121085	THOMAS MCMILLAN	\$87.12
12/1/22	1121086	STACY NELSON	\$1,295.00
12/1/22	1121087	ROBERT PETERSON	\$9.20
12/2/22	1121088	GRANT RICE	\$23.72
12/2/22	1121089	HOUSING HOPE	\$5.56
12/2/22	1121090	JOHN EMERSON	\$4,699.48
12/2/22	1121091	SAUK-SUIATTLE INDIAN TRIBE	\$131.66
12/2/22	1121092	MESERET BELAYNEH	\$28.27
12/2/22	1121093	GARRETT LESSING	\$121.09
12/2/22	1121094	MAINVUE WA LLC	\$30.99
12/2/22	1121095	10227 20TH PARK LLC	\$50.87
12/2/22	1121096	LINNEA RIEDEL	\$235.34
12/2/22	1121097	REECE CONSTRUCTION CO	\$26.70
12/2/22	1121098	HAACK BROTHERS HOMES	\$15.17
12/2/22	1121099	COLLEEN ROBINSON	\$3,983.76
12/2/22	1121100	TRACEY LANDRY	\$159.80
12/2/22	1121101	NORTHWEST PREMIER HOMES & LAND LLC	\$7.95
12/2/22	1121102	ERIN POLLARD	\$15.73
12/2/22	1121103	CHERYL MURPHY	\$41.94
12/2/22	1121104	MARIUS CARSTENSEN	\$25.15

Detailed Disbursement Report

Revolving Fund - Customer Refunds, Incentives and Other			
Payment Date	Payment Ref Nbr	Payee	Amount
12/2/22	1121105	SUE WARD	\$1,322.50
12/2/22	1121106	IRENE GILBERT	\$14.07
12/2/22	1121107	FATHOM PROPERTIES NW LLC	\$239.70
12/2/22	1121108	STILLAGUAMISH TRIBE HOUSING DEPT	\$64.51
12/2/22	1121109	MALAMAKAI LLC	\$45.40
12/2/22	1121110	MAPLE COURT APTS 2010 LLC	\$239.27
12/2/22	1121111	MILL AT MC 1 LLC	\$35.61
12/2/22	1121112	MLT STATION LLC	\$6.74
12/2/22	1121113	SREIT MIRABELLA LLC	\$8.36
12/2/22	1121114	STEVEN SHULMAN	\$17.42
12/2/22	1121115	MATTHEW SHEPPLEY	\$20.93
12/2/22	1121116	ISABELLE DIAZ	\$72.00
12/2/22	1121117	CARLOS BREGANTE	\$64.77
12/2/22	1121118	DIANE MCADARAGH	\$18.69
12/2/22	1121119	SHARLEEN DESROCHERS	\$678.90
12/2/22	1121120	BEL SNOHOMISH HOLDINGS LLC	\$21.90
12/2/22	1121121	TINA BJORND AHL	\$139.50
12/2/22	1121122	WAKEFIELD ALDERWOOD LLC	\$254.34
12/2/22	1121123	CHRISTOPHER YAU	\$9.32
12/2/22	1121124	LOURDES OLIVEROS	\$28.29
12/2/22	1121125	ASHLIE BELT	\$1,100.40
12/2/22	1121126	ROSA ELIA DE NIZ PELAYO	\$356.26
12/2/22	1121127	GAYLE GITHENS	\$90.41
12/2/22	1121128	SAYBROOK HOMES LLC	\$15.37
12/5/22	1121129	KELLY JONES	\$113.75
12/5/22	1121130	AARON WILLIAMS	\$24.92
12/5/22	1121131	RICHARD PERRY	\$417.07
12/5/22	1121132	GIAM TAN	\$2,279.66
12/5/22	1121133	ADRIENNE LEVI	\$53.02
12/5/22	1121134	FAMILY TREE APTS	\$59.92
12/5/22	1121135	FELIPE MARTINEZ	\$117.53
12/5/22	1121136	FOCO POINT LLC	\$39.60

Detailed Disbursement Report

Revolving Fund - Customer Refunds, Incentives and Other			
Payment Date	Payment Ref Nbr	Payee	Amount
12/5/22	1121137	LAKE SERENE RETAIL INVESTMENTS LLC	\$29.93
12/5/22	1121138	JANICE O'CONNOR	\$31.40
12/5/22	1121139	JR JACK BENNETT	\$1,024.66
12/5/22	1121140	EVAN BRIGGS	\$148.31
12/5/22	1121141	SREIT MIRABELLA LLC	\$57.03
12/5/22	1121142	TRACY HOIEN	\$242.00
12/5/22	1121143	JUDITH KERLEY	\$1,931.62
12/5/22	1121144	MARYSVILLE YMCA	\$17,398.54
12/5/22	1121145	RANDY FORSELL	\$97.93
12/6/22	1121146	ALLY CENCI	\$50.84
12/6/22	1121147	SAFE IRA PROPERTIES LLC	\$233.63
12/6/22	1121148	DAVID WHITE	\$16.28
12/6/22	1121149	ALEXANDRA HAZEN	\$402.61
12/6/22	1121150	MEGAN CUTHBERT	\$1,888.09
12/6/22	1121151	MARIA PACHECO MONTES	\$23.19
12/6/22	1121152	SSHI LLC	\$76.66
12/6/22	1121153	CRYSTAL SPRINGS APTS	\$20.15
12/6/22	1121154	MOHAMMED SADIQ	\$8.09
12/6/22	1121155	OUTSTANDING CREEKSIDE LLC	\$33.72
12/6/22	1121156	AISHA LADD	\$8.63
12/6/22	1121157	KIRON SUKESAN	\$228.12
12/6/22	1121158	RICHARD ARKLEY	\$14.79
12/6/22	1121159	ASHLEY EVINS	\$112.52
12/6/22	1121160	BAILEY SCHROEDER	\$30.00
12/6/22	1121161	BRENDAN THORNE	\$40.22
12/6/22	1121162	SAN MATEO/EL CAMINO WG PARTNERS, LP	\$38.16
12/6/22	1121163	B9 MF ALDERWOOD PARK LLC	\$25.23
12/6/22	1121164	OLIN FIELDS OWNER LLC	\$27.96
12/6/22	1121165	SHELLEY COX	\$12.85
12/6/22	1121166	NOVENTIS	\$210.65
12/6/22	1121167	TANEAL R. CARLSON	\$32.82
12/7/22	1121168	INVENTIVE CONSTRUCTION LLC	\$20.35

Detailed Disbursement Report

Revolving Fund - Customer Refunds, Incentives and Other			
Payment Date	Payment Ref Nbr	Payee	Amount
12/7/22	1121169	MARK ALVAREZ	\$129.72
12/7/22	1121170	CORNERSTONE HOMES	\$38.76
12/7/22	1121171	2018-3 IH BORROWER LP	\$22.38
12/7/22	1121172	OLEH TITOV	\$127.31
12/7/22	1121173	TEDDY KIM	\$153.82
12/7/22	1121174	DENNIS SAMS	\$37.90
12/7/22	1121175	BRITTANY PINO	\$73.80
12/7/22	1121176	ROBERT BIESIEDZINSKI	\$35.18
12/7/22	1121177	SEBASTIEN ST-LAURENT	\$28.85
12/7/22	1121178	MARY JOHNSON	\$94.63
12/7/22	1121179	JUSTIN GAAR	\$15.14
12/8/22	1121180	HELEN JAMISON	\$20.90
12/8/22	1121181	MILENA BEAUDIN	\$152.91
12/8/22	1121182	VOID	\$0.00
12/8/22	1121183	SERENE LLC	\$5.62
12/8/22	1121184	PACIFIC RIDGE - DRH, LLC	\$13.16
12/8/22	1121185	BMCH WASHINGTON LLC	\$54.93
12/8/22	1121186	PACIFIC RIDGE - DRH, LLC	\$27.57
12/8/22	1121187	SHERRIE SZYMECZEK	\$61.33
12/8/22	1121188	OASIS MASSAGE SPA LLC	\$926.17
12/8/22	1121189	PORTSMITH APARTMENTS LLC	\$25.92
12/8/22	1121190	RM HOMES	\$10.15
12/8/22	1121191	TORGBUI GBEDAWO	\$30.24
12/8/22	1121192	KENNETH WALLER	\$4.51
12/8/22	1121193	DEAL ENTERPRISES	\$113.98
12/8/22	1121194	ROD HANNA	\$31.80
12/8/22	1121195	RONALD GIRARD	\$338.19
12/8/22	1121196	KIRK GALBRAITH	\$644.69
12/8/22	1121197	BRANDI LONG	\$28.75
12/8/22	1121198	BMCH WASHINGTON LLC	\$12.92
12/8/22	1121199	BMCH WASHINGTON LLC	\$53.87
12/8/22	1121200	BRAD BUSLACH	\$28.72

Detailed Disbursement Report

Revolving Fund - Customer Refunds, Incentives and Other			
Payment Date	Payment Ref Nbr	Payee	Amount
12/8/22	1121201	CEP III VILLAS 19 LLC	\$16.89
12/8/22	1121202	PAULINE GRAVENSTEIN	\$164.24
12/8/22	1121203	HOUSING AUTHORITY OF SNO CO	\$6.89
12/8/22	1121204	CLAYTON MOSES	\$15.00
12/8/22	1121205	DARIN WARD	\$372.33
12/8/22	1121206	LINA MOSQUERA	\$90.06
12/8/22	1121207	KD3 HOME SOLUTIONS LLC	\$34.11
12/9/22	1121208	IONE HURT	\$115.32
12/9/22	1121209	ASPIRE APARTMENTS AT MOUNTLAKE TERRACE	\$21.34
12/9/22	1121210	SUSAN PHILLIPS	\$17.98
12/9/22	1121211	BRANDIE JOHNSON	\$867.06
12/9/22	1121212	LUELLA COLVIN	\$231.06
12/9/22	1121213	ALDER HAUS APARTMENTS	\$156.51
12/9/22	1121214	SARAH CRAFTON	\$5,682.60
12/9/22	1121215	VOID	\$0.00
12/9/22	1121216	DESEREE MOORE	\$104.85
12/9/22	1121217	TESSA MILLER	\$62.00
12/9/22	1121218	ANGELA MCCAULEY	\$501.59
12/9/22	1121219	FNU SAIFI	\$10.20
12/9/22	1121220	BRENDA POE	\$2,482.72
12/9/22	1121221	RITO RUGAMA RUIZ	\$95.00
12/9/22	1121222	SONDRA ORDWAY	\$250.31
12/9/22	1121223	WESTERN BLOSSOM HILL INVESTORS, LP	\$20.59
12/9/22	1121224	SOPHIA FARRAR	\$136.28
12/9/22	1121225	HUSEBY HOMES LLC	\$37.24
12/9/22	1121226	LISA JONES	\$91.65
12/9/22	1121227	SMOKEY POINT APARTMENTS III LLC	\$10.92
12/9/22	1121228	NOEL SHAHBAZIAN	\$38.72
12/9/22	1121229	KYLE LOVELY	\$544.84
12/9/22	1121230	IAN SACKETT	\$105.83
12/9/22	1121231	MEGAN BURLESON	\$65.57
12/9/22	1121232	RICHARD SKEEN	\$162.90

Detailed Disbursement Report

Revolving Fund - Customer Refunds, Incentives and Other			
Payment Date	Payment Ref Nbr	Payee	Amount
12/9/22	1121233	SR DERIK ELLIOTT	\$237.05
12/9/22	1121234	JACQUELINE LIM	\$754.01
12/9/22	1121235	GRE CANDLEWOOD LLC	\$28.82
12/9/22	1121236	JOSE GOMEZ	\$92.88
Total:			\$100,232.70

Detailed Disbursement Report

Revolving Fund - Electronic Customer Refunds			
Payment Date	Payment Ref Nbr	Payee	Amount
11/28/22	000523714197	EMILY SULLIVAN	\$103.71
11/28/22	000523714198	ANDREW DEVEROUX	\$20.15
11/28/22	000523714199	CHANEL NGO	\$24.91
11/28/22	000523714200	JASON VERA	\$13.38
11/28/22	000523714201	MIA WILLIAMSON	\$40.54
11/28/22	000523714202	CHANEL NGO	\$82.59
11/28/22	000523714203	INK LOUNGE LLC	\$31.85
11/28/22	000523714204	JASON VERA	\$137.36
11/28/22	000523714205	WESLEY FLANIGAN	\$87.72
11/28/22	000523714206	RON CHO	\$97.45
11/28/22	000523714207	INK LOUNGE LLC	\$31.29
11/28/22	000523714208	NATALIE HARDENBROOK	\$68.83
11/28/22	000523714209	HUONG NGUYEN	\$23.48
11/28/22	000523714210	DAVID GROSS	\$77.57
11/28/22	000523714211	DOLORES BERRY	\$78.49
11/28/22	000523714212	INK LOUNGE LLC	\$23.00
11/28/22	000523714213	KELLI CALLAHAN	\$29.43
11/28/22	000523714214	CHANDRA SEKHAR KATRAGADDA	\$65.95
11/28/22	000523714215	MACALL MCGHEE	\$38.87
11/28/22	000523714216	LEI WANG	\$8.45
11/28/22	000523714217	CHRISTINE CLEMENTSON	\$112.81
11/30/22	000523743316	GERALD RUSSELL	\$8.62
11/30/22	000523743317	ARMANDO CRUZ-GARCIA	\$139.99
11/30/22	000523743318	RAJENDRAN SHANMUGHASAMY	\$42.56
11/30/22	000523743319	VINCE EANG	\$143.27
11/30/22	000523743320	KENNETH MORRIS	\$86.00
12/1/22	000523752358	SARAH KLAUSMEYER	\$15.54
12/1/22	000523752359	SARAH KLAUSMEYER	\$74.03
12/1/22	000523752360	GERALDO GALBAN RENTERIA	\$43.87
12/1/22	000523752361	NICHOLAS DITTOE	\$63.78
12/1/22	000523752362	JACOB BAKER	\$38.09
12/1/22	000523752363	SANDRA FARKAS	\$8.03

Detailed Disbursement Report

Revolving Fund - Electronic Customer Refunds			
Payment Date	Payment Ref Nbr	Payee	Amount
12/1/22	000523752364	KRISTINA MONSON	\$434.92
12/1/22	000523752365	KATHRYN SIMKOWIAK	\$29.46
12/1/22	000523752366	CONSTANTINE BADITSKY	\$88.27
12/2/22	000523763417	JEFF BEVINS	\$160.20
12/2/22	000523763418	MF 1H LLC	\$119.23
12/2/22	000523763419	VADIM DENISIUK	\$54.88
12/2/22	000523763420	JEFF BEVINS	\$246.12
12/2/22	000523763421	JASON ESTERLING	\$116.09
12/2/22	000523763422	SAVANNAH WAGNER	\$48.05
12/2/22	000523763423	DESEREE MOORE	\$20.67
12/2/22	000523763424	FRANCIS ROEDER	\$51.45
12/2/22	000523763425	ANTHONY LODGE	\$120.17
12/2/22	000523763426	FRANCIS ROEDER	\$76.09
12/2/22	000523763427	VADIM DENISIUK	\$47.93
12/2/22	000523763428	DESEREE MOORE	\$84.18
12/2/22	000523763429	SAVANNAH WAGNER	\$85.66
12/2/22	000523763430	MELANIE LYMAN	\$74.75
12/2/22	000523763431	MICHAEL KIRAGU	\$19.01
12/2/22	000523763432	WESTWAY CLEANERS	\$10.38
12/2/22	000523763433	KELANI DUELL	\$1,328.23
12/2/22	000523763434	CONNOR MCKENNY	\$35.92
12/2/22	000523763435	MOTTI TESHITE	\$42.69
12/2/22	000523763436	SYDNEY MUIRHEAD	\$81.52
12/2/22	000523763437	GRETCHEN RHODEN	\$38.71
12/5/22	000523773740	LICHAO YANG	\$105.11
12/5/22	000523773741	SAMANTHA MILLER	\$95.79
12/5/22	000523773742	KIMBERLY KIBLER	\$157.52
12/5/22	000523773743	JENNIE JOHNSON	\$736.11
12/5/22	000523773744	ERNES ISAKAGIC	\$315.75
12/6/22	000523785287	MATTHEW DEMMERT-FLETCHER	\$169.69
12/6/22	000523785288	JIawei WANG	\$34.86
12/6/22	000523785289	BRADLEY VILLANUEVA	\$96.20

Detailed Disbursement Report

Revolving Fund - Electronic Customer Refunds			
Payment Date	Payment Ref Nbr	Payee	Amount
12/6/22	000523785290	URSULA JORDAN	\$5.44
12/6/22	000523785291	REED MASSIE	\$35.62
12/6/22	000523785292	NIKLAS GAGGERO	\$330.00
12/7/22	000523793165	MELISENDA DIXON	\$47.13
12/7/22	000523793166	MELISENDA DIXON	\$56.30
12/7/22	000523793167	PHOENIX FREE	\$181.00
12/7/22	000523793168	JAMES COMER	\$5.22
12/7/22	000523793169	CHRISTIAN LOPEZ	\$65.65
12/8/22	000523800068	TRENA RICHARDSON	\$167.72
12/8/22	000523800069	PETE MORALES	\$80.53
12/8/22	000523800070	SUBHASH KALRA	\$144.07
12/8/22	000523800071	PETE MORALES	\$60.31
12/8/22	000523800072	VINOD PAGADALA	\$82.07
12/8/22	000523800073	MARQUI CUNNINGHAM	\$113.61
12/8/22	000523800074	STEFAN FAGERHOLM	\$80.52
12/8/22	000523800075	PETE MORALES	\$11.68
12/8/22	000523800076	VANESA RODRIGUEZ MARQUEZ	\$20.59
12/8/22	000523800077	MASON RACHEY	\$50.54
12/8/22	000523800078	AMY GIRLING	\$63.59
12/8/22	000523800079	ANTHONY JONGEJAN	\$128.91
12/8/22	000523800080	SUSAN CHU	\$127.43
12/8/22	000523800081	JULIA HAN	\$148.47
12/8/22	000523800082	PETE MORALES	\$152.52
12/8/22	000523800083	MICHAEL GAGNON	\$156.13
12/8/22	000523800084	RANDA HARIRI	\$37.44
12/8/22	000523800085	CASSANDRA OLSEN	\$1,311.87

Total: \$10,651.58

Detailed Disbursement Report

Accounts Payable Warrants			
Payment Date	Payment Ref Nbr	Payee	Amount
11/29/22	8071358	IMAGINE CHILDRENS MUSEUM CORP	\$24,702.69
11/29/22	8071359	JULIA ANDERSON OR NATHAN GIBSON	\$23,100.00
11/29/22	8071360	APERTA INC	\$9,467.85
11/29/22	8071361	ARGUS PACIFIC INC	\$2,985.00
11/29/22	8071362	CAMANO WATER ASSN	\$290.00
11/29/22	8071363	CLEAN HARBORS ENVIRONMENTAL	\$42,588.07
11/29/22	8071364	COMCAST HOLDING CORPORATION	\$585.74
11/29/22	8071365	CITY OF EVERETT	\$3,590.50
11/29/22	8071366	GLOBAL RENTAL COMPANY INC	\$13,517.70
11/29/22	8071367	ITRON INC	\$9,400.99
11/29/22	8071368	LEXISNEXIS RISK DATA MANAGEMENT INC	\$32.97
11/29/22	8071369	CITY OF LYNNWOOD	\$724.20
11/29/22	8071370	CITY OF MARYSVILLE	\$154.70
11/29/22	8071371	CITY OF MONROE	\$1,150.33
11/29/22	8071372	CITY OF MOUNTLAKE TERRACE	\$370.93
11/29/22	8071373	GENUINE PARTS COMPANY	\$3,018.25
11/29/22	8071374	PUGET SOUND ENERGY INC	\$5,710.72
11/29/22	8071375	REPUBLIC SERVICES INC	\$2,351.62
11/29/22	8071376	RIVERSIDE TOPSOIL INC	\$141.01
11/29/22	8071377	ROBERT HALF INTERNATIONAL INC	\$6,147.92
11/29/22	8071378	SILVER LAKE WATER & SEWER DISTRICT	\$99.40
11/29/22	8071379	SIX ROBBLEES INC	\$221.77
11/29/22	8071380	SKAGIT LAW GROUP PLLC	\$1,037.00
11/29/22	8071381	SNOHOMISH COUNTY	\$850.00
11/29/22	8071382	SOLARWINDS INC	\$581.38
11/29/22	8071383	SOUND PUBLISHING INC	\$6,264.60
11/29/22	8071384	SOUND SECURITY INC	\$568.84
11/29/22	8071385	TALLEY INC	\$617.48
11/29/22	8071386	US BANK NA	\$3,151.81
11/29/22	8071387	STATE OF WASHINGTON	\$150.00
11/29/22	8071388	WAGNER SMITH EQUIPMENT CO	\$198.93
11/29/22	8071389	WEST PUBLISHING CORPORATION	\$5,033.47

Detailed Disbursement Report

Accounts Payable Warrants			
Payment Date	Payment Ref Nbr	Payee	Amount
11/29/22	8071390	ALDERWOOD WATER & WASTEWATER DISTRI	\$35.68
11/29/22	8071391	BICKFORD MOTORS INC	\$3,259.69
11/29/22	8071392	CAR WASH ENTERPRISES INC	\$50.00
11/29/22	8071393	CROSS VALLEY WATER DISTRICT	\$173.96
11/29/22	8071394	DEPARTMENT OF HEALTH	\$400.00
11/29/22	8071395	LAKE STEVENS SEWER DIST	\$105.60
11/29/22	8071396	MERIDIAN ENVIRONMENTAL INC	\$8,351.58
11/29/22	8071397	NVL LABORATORIES INC	\$284.05
11/29/22	8071398	PACIFIC PUBLISHING CO INC	\$730.80
11/29/22	8071399	RUBATINO REFUSE REMOVAL INC	\$288.59
11/29/22	8071400	SNOHOMISH COUNTY	\$379.82
11/29/22	8071401	SPRINGBROOK NURSERY AND TRUCKING IN	\$1,495.17
11/29/22	8071402	BRENT STAINER	\$200.00
11/29/22	8071403	CITY OF STANWOOD	\$1,735.94
11/29/22	8071404	SUMMIT SAFETY SHOES	\$1,448.48
11/29/22	8071405	TWELVE THIRTY ONE INCORPORATED	\$221.00
11/29/22	8071406	WELLSPRING FAMILY SERVICES	\$2,950.12
11/29/22	8071407	WESTERN PACIFIC CRANE & EQUIP LLC	\$380.02
11/29/22	8071408	ACCORD CONTRACTORS LLC	\$37,772.66
11/29/22	8071409	TRAVIS J MIRANDA	\$13,107.50
11/29/22	8071410	ERGOGENESIS WORKPLACE SOLUTIONS LLC	\$4,869.91
11/29/22	8071411	COMCAST CORPORATION	\$514.06
11/29/22	8071412	CROWN CASTLE INTERNATIONAL CORP	\$7,121.32
11/29/22	8071413	CRITICAL INSIGHT INC	\$2,200.00
11/29/22	8071414	WAVE BUSINESS SOLUTIONS	\$1,461.44
11/29/22	8071415	THE PAPE GROUP INC	\$329.26
11/29/22	8071416	S-R BROADCASTING INC	\$550.00
11/29/22	8071417	GEO TEST SERVICES INC	\$12,161.00
11/29/22	8071418	VERTIV CORPORATION	\$26,412.27
11/29/22	8071419	OCCUPATIONAL HEALTH CENTERS OF WA P	\$239.50
11/29/22	8071420	IBEAM SYSTEMS INC	\$7,837.60
11/29/22	8071421	BRINKS INC	\$3,895.26

Detailed Disbursement Report

Accounts Payable Warrants			
Payment Date	Payment Ref Nbr	Payee	Amount
11/29/22	8071422	CITY OF ARLINGTON	\$103.11
11/29/22	8071423	BELL & HOWELL GROUP HOLDINGS LLC	\$55,835.60
11/29/22	8071424	NORTHWEST CORROSION ENGINEERING LLC	\$980.68
11/29/22	8071425	CRAWFORD & COMPANY	\$1,214.40
11/29/22	8071426	CLARY LONGVIEW LLC	\$423,646.70
11/29/22	8071427	KINSHIP GROUP LLC	\$341.57
11/29/22	8071428	KENDALL DEALERSHIP HOLDINGS LLC	\$77,524.75
11/29/22	8071429	BURTON CONSTRUCTION INC	\$50,713.00
11/29/22	8071430	UNIVERSAL PROTECTION SERVICE LP	\$20,987.46
11/29/22	8071431	CONCENTRIC LLC	\$2,987.82
11/29/22	8071432	ACCESS INFO INTERMEDIATE HLDNG I LL	\$484.70
11/29/22	8071433	AMBERBOX INC	\$8,785.00
11/29/22	8071434	THE BARTELL DRUG COMPANY	\$37.49
11/29/22	8071435	CITY OF MARYSVILLE	\$1,000.00
11/29/22	8071436	SUPERIOR GLASS INSTALLATIONS INC	\$1,600.00
11/29/22	8071437	AA REMODELING LLC	\$350.00
12/1/22	8071438	SHARON ASHTON	\$275.00
12/1/22	8071439	WILLIAM VITALIS	\$275.00
12/1/22	8071440	CDW LLC	\$278.05
12/1/22	8071441	ELECTRIC LEAGUE OF THE PACIFIC NW	\$10,000.00
12/1/22	8071442	EQUIFAX INFORMATION SERVICES LLC	\$7,566.57
12/1/22	8071443	CITY OF EVERETT	\$328,710.20
12/1/22	8071444	GLOBAL RENTAL COMPANY INC	\$3,956.40
12/1/22	8071445	GOLDEN HARVEST INC	\$14,837.60
12/1/22	8071446	KENT D BRUCE	\$9,198.68
12/1/22	8071447	CITY OF MARYSVILLE	\$65.27
12/1/22	8071448	QUALITY FENCE BUILDERS INC	\$13,490.19
12/1/22	8071449	STATE OF WASHINGTON	\$1,509.36
12/1/22	8071450	DOBBS HEAVY DUTY HOLDINGS LLC	\$835.17
12/1/22	8071451	ALDERWOOD WATER & WASTEWATER DISTRI	\$80.16
12/1/22	8071452	BICKFORD MOTORS INC	\$4,282.17
12/1/22	8071453	COMCAST HOLDINGS CORPORATION	\$355.69

Detailed Disbursement Report

Accounts Payable Warrants			
Payment Date	Payment Ref Nbr	Payee	Amount
12/1/22	8071454	COMPLIANCE PUBLISHING CORPORATION	\$995.00
12/1/22	8071455	GREATER EDMONDS CHAMBER OF COMMERCE	\$2.07
12/1/22	8071456	EQUIPMENT SALES COMPANY INC	\$1,529.32
12/1/22	8071457	EDS MCDOUGALL LLC	\$725.00
12/1/22	8071458	JEFFREY HATHAWAY	\$117.37
12/1/22	8071459	PRINCETON TECTONICS	\$6,316.07
12/1/22	8071460	SNOHOMISH HEALTH DISTRICT	\$400.00
12/1/22	8071461	PUBLIC UTILITY DIST NO 1 OF	\$116.62
12/1/22	8071462	US BANK NA	\$2,506.79
12/1/22	8071463	WILSON MCDANIEL HARDWARE INC	\$3,755.52
12/1/22	8071464	ZIPPER GEO ASSOCIATES LLC	\$15,102.87
12/1/22	8071465	LAMAR TEXAS LTD PARTNERSHIP	\$2,925.00
12/1/22	8071466	THE BANK OF NEW YORK MELLON TRUST	\$332.00
12/1/22	8071467	TARGET CORPORATION	\$3,604.00
12/1/22	8071468	OCCUPATIONAL HEALTH CENTERS OF WA P	\$54.00
12/1/22	8071469	SUPERIOR SEPTIC SERVICE LLC	\$469.37
12/1/22	8071470	CONCENTRIC LLC	\$2,598.56
12/1/22	8071471	CONCENTRIC LLC	\$534.51
12/1/22	8071472	IPROMOTEU COM INC	\$700.88
12/1/22	8071473	ARROW INSULATION INC	\$2,460.00
12/1/22	8071474	STILLY RIVER MECHANICAL INC	\$2,650.00
12/1/22	8071475	LEIDOS ENGINEERING LLC	\$148.85
12/1/22	8071476	AA REMODELING LLC	\$100.00
12/6/22	8071477	AT&T CORP	\$15,533.52
12/6/22	8071478	COMCAST HOLDING CORPORATION	\$148.67
12/6/22	8071479	DUNN LUMBER CO INC	\$42.29
12/6/22	8071480	CITY OF EVERETT	\$5,262.30
12/6/22	8071481	FEDERAL EXPRESS CORP	\$144.91
12/6/22	8071482	GLOBAL RENTAL COMPANY INC	\$570,700.81
12/6/22	8071483	KAMAN FLUID POWER LLC	\$946.16
12/6/22	8071484	LYNNWOOD AUTOMOTIVE LLC	\$62.01
12/6/22	8071485	MC MASTER CARR SUPPLY CO	\$184.06

Detailed Disbursement Report

Accounts Payable Warrants			
Payment Date	Payment Ref Nbr	Payee	Amount
12/6/22	8071486	GENUINE PARTS COMPANY	\$2,059.81
12/6/22	8071487	VERIZON CONNECT NWF INC	\$8,293.79
12/6/22	8071488	NORTHWEST SALES GROUP INC	\$589.28
12/6/22	8071489	PACIFIC SAFETY SUPPLY INC	\$3,933.44
12/6/22	8071490	ROBERT HALF INTERNATIONAL INC	\$5,939.20
12/6/22	8071491	SEAHURST ELECTRIC CO INC	\$7,647.51
12/6/22	8071492	SEAHURST ELECTRIC CO INC	\$11,322.24
12/6/22	8071493	SEAHURST ELECTRIC CO INC	\$49,667.44
12/6/22	8071494	SOUND PUBLISHING INC	\$55.86
12/6/22	8071495	SUBURBAN PROPANE	\$1,194.90
12/6/22	8071496	UNIVERSAL LANGUAGE SERVICE INC	\$44.05
12/6/22	8071497	OLDCASTLE PRECAST INC	\$15,981.66
12/6/22	8071498	VALLEY ELECTRIC CO OF MT VERNON INC	\$107,921.80
12/6/22	8071499	WAGNER SMITH EQUIPMENT CO	\$6,356.18
12/6/22	8071500	AAA OF EVERETT FIRE	\$68.14
12/6/22	8071501	BICKFORD MOTORS INC	\$6,773.87
12/6/22	8071502	CONSORTIUM FOR ENERGY	\$20,000.00
12/6/22	8071503	CPC MATERIALS INC	\$115.65
12/6/22	8071504	EMERALD SERVICES INC	\$341.33
12/6/22	8071505	JEFFREY HATHAWAY	\$46.10
12/6/22	8071506	RYAN SCOTT FELTON	\$143.97
12/6/22	8071507	GARY D KREIN	\$769.30
12/6/22	8071508	PHENIX TECHNOLOGIES INC	\$5,511.42
12/6/22	8071509	PROVEN COMPLIANCE SOLUTIONS INC	\$463.75
12/6/22	8071510	PUBLIC UTILITY DIST NO 1 OF	\$3,711.91
12/6/22	8071511	STANWOOD REDI MIX INC	\$1,854.70
12/6/22	8071512	SUPPRESSION SYSTEMS INC	\$1,099.00
12/6/22	8071513	T-MOBILE USA INC	\$1,348.78
12/6/22	8071514	WESTON SERVICES INC	\$1,094.00
12/6/22	8071515	PACIFIC LOGGING LLC	\$15,000.00
12/6/22	8071516	TARGET CORPORATION	\$9,753.00
12/6/22	8071517	THE PAPE GROUP INC	\$19,780.95

Detailed Disbursement Report

Accounts Payable Warrants			
Payment Date	Payment Ref Nbr	Payee	Amount
12/6/22	8071518	JENSEN HUGHES INC	\$245.00
12/6/22	8071519	WILLDAN ENERGY SOLUTIONS	\$3,105.55
12/6/22	8071520	PARK PLACE TECHNOLOGIES LLC	\$321.62
12/6/22	8071521	STILLAGUAMISH GRANGE 1058	\$8,888.25
12/6/22	8071522	FSX EQUIPMENT INC	\$1,608.78
12/6/22	8071523	NORTHWEST FIBER LLC	\$9,613.74
12/6/22	8071524	EAGLE EYE AERIAL SOLUTIONS LLC	\$45,475.00
12/6/22	8071525	HALEY & ALDRICH INC	\$2,582.50
12/6/22	8071526	BHC CONSULTANTS LLC	\$14,117.97
12/6/22	8071527	ARTHUR J GALLAGHER RISK	\$5,797.00
12/6/22	8071528	SUPERIOR SEPTIC SERVICE LLC	\$361.13
12/6/22	8071529	KENDALL DEALERSHIP HOLDINGS LLC	\$2,911.36
12/6/22	8071530	PUBLIC STORAGE	\$1,664.00
12/6/22	8071531	UNIVERSAL PROTECTION SERVICE LP	\$96,514.87
12/6/22	8071532	THE PAPE GROUP	\$303.79
12/6/22	8071533	MOBILIZZ INC	\$12,950.03
12/6/22	8071534	HARDSCRATCH ENTERPRISES LLC	\$1,246.05
12/6/22	8071535	SISHIDO TAREN GOLDSWORTHY PLLC	\$115,000.00
12/6/22	8071536	EARTH SAVERS ENERGY SERVICES INC	\$199.86
12/6/22	8071537	ENERGY MANAGEMENT COLLABORATIVE LLC	\$15,704.73
12/6/22	8071538	GLASS BY LUND INC	\$1,200.00
12/6/22	8071539	GRANITE CONSTRUCTION COMPANY	\$309.92
12/6/22	8071540	WASHINGTON STATE UNIVERSITY	\$15,000.00
12/6/22	8071541	LEIDOS ENGINEERING LLC	\$6,087.25
12/6/22	8071542	SERVICE MAX HEATING & AIR CONDITION	\$501.16
12/8/22	8071543	MASTEC NORTH AMERICA, INC	\$25,342.00
12/8/22	8071544	BRIAN GOODWIN	\$275.00
12/8/22	8071545	ARBITER SYSTEMS INC	\$3,184.86
12/8/22	8071546	COMCAST HOLDING CORPORATION	\$140.47
12/8/22	8071547	GLOBAL RENTAL COMPANY INC	\$2,967.30
12/8/22	8071548	ISLAND COUNTY	\$206.50
12/8/22	8071549	KAMAN FLUID POWER LLC	\$392.22

Detailed Disbursement Report

Accounts Payable Warrants			
Payment Date	Payment Ref Nbr	Payee	Amount
12/8/22	8071550	GENUINE PARTS COMPANY	\$1,153.07
12/8/22	8071551	PACIFIC SAFETY SUPPLY INC	\$8,435.70
12/8/22	8071552	PUGET SOUND ENERGY INC	\$133,579.46
12/8/22	8071553	RIVERSIDE TOPSOIL INC	\$400.00
12/8/22	8071554	SNOHOMISH COUNTY	\$1,410.02
12/8/22	8071555	STATE OF WASHINGTON	\$750.00
12/8/22	8071556	WAGNER SMITH EQUIPMENT CO	\$111.24
12/8/22	8071557	BICKFORD MOTORS INC	\$6,223.66
12/8/22	8071558	NORTHWEST TOWER ENGINEERING PLLC	\$2,250.00
12/8/22	8071559	SNOHOMISH COUNTY	\$4,326.00
12/8/22	8071560	AWARDCO LLC	\$3,680.00
12/8/22	8071561	REXEL USA INC	\$431.80
12/8/22	8071562	ENTERPRISE FABRICATORS CO INC	\$42,607.89
12/8/22	8071563	WARD INDUSTRIAL PROCESS AUTOMATION	\$7,301.94
12/8/22	8071564	ARAMARK UNIFORM & CAREER APPAREL GR	\$4,865.62
12/8/22	8071565	DMT SOLUTIONS GLOBAL CORP	\$2,210.84
12/8/22	8071566	KIDDER MATHEWS INC	\$15,000.00
12/8/22	8071567	NORTHWEST FIBER LLC	\$4,120.75
12/8/22	8071568	BHC CONSULTANTS LLC	\$801.00
12/8/22	8071569	KENDALL DEALERSHIP HOLDINGS LLC	\$1,277.44
12/8/22	8071570	BURTON CONSTRUCTION INC	\$78,696.00
12/8/22	8071571	KNUTH MACHINE TOOLS USA INC	\$20,168.92
12/8/22	8071572	SNOHOMISH COUNTY	\$2,500.00
12/8/22	8071573	STILLY RIVER MECHANICAL INC	\$2,650.00
12/8/22	8071574	MONROE SCHOOL DISTRICT NO 103	\$6,894.15

Total: \$3,048,190.91

Detailed Disbursement Report

Accounts Payable ACH			
Payment Date	Payment Ref Nbr	Payee	Amount
11/28/22	6034256	ALS GROUP USA CORP	\$301.00
11/28/22	6034257	ASPLUNDH TREE EXPERT LLC	\$23,517.26
11/28/22	6034258	AUTOMATED ENERGY INC	\$600.00
11/28/22	6034259	CARDINAL PAINT & POWDER INC	\$134.74
11/28/22	6034260	DOBLE ENGINEERING CO	\$14,803.08
11/28/22	6034261	ELECTRO-MECHANICAL CORP	\$233,379.25
11/28/22	6034262	FASTENAL COMPANY	\$430.72
11/28/22	6034263	HARGIS ENGINEERS INC	\$6,075.00
11/28/22	6034264	HOWARD INDUSTRIES INC	\$20,127.08
11/28/22	6034265	KUBRA DATA TRANSFER LTD	\$37,438.31
11/28/22	6034266	MOBILE MINI INC	\$257.66
11/28/22	6034267	MR TRUCK WASH INC	\$659.40
11/28/22	6034268	NORTH COAST ELECTRIC COMPANY	\$1,716.88
11/28/22	6034269	NORTHSTAR CHEMICAL INC	\$500.00
11/28/22	6034270	NW SUBSURFACE WARNING SYSTEM	\$6,753.15
11/28/22	6034271	ON HOLD CONCEPTS INC	\$234.70
11/28/22	6034272	OSMOSE UTILITIES SERVICES INC	\$373,119.29
11/28/22	6034273	PTC INC	\$3,554.48
11/28/22	6034274	ROMAINE ELECTRIC CORP	\$2,333.12
11/28/22	6034275	RWC INTERNATIONAL LTD	\$324.68
11/28/22	6034276	SCHWEITZER ENGINEERING LAB INC	\$3,855.60
11/28/22	6034277	SEATTLE TIMES COMPANY	\$2,173.05
11/28/22	6034278	SOUTHERN ELECTRICAL EQUIPMENT CO IN	\$2,774.85
11/28/22	6034279	STELLA-JONES CORPORATION	\$30,883.54
11/28/22	6034280	PRATT DAY & STRATTON PLLC	\$3,506.20
11/28/22	6034281	TK ELEVATOR CORPORATION	\$3,208.47
11/28/22	6034282	TOPSOILS NORTHWEST INC	\$517.52
11/28/22	6034283	VAN NESS FELDMAN LLP	\$1,705.00
11/28/22	6034284	WASTE MANAGEMENT OF WASHINGTON INC	\$571.54
11/28/22	6034285	WETLAND RESOURCES INC	\$3,835.74
11/28/22	6034286	BACKGROUND INFORMATION SERVICES INC	\$1,423.00
11/28/22	6034287	CELLCO PARTNERSHIP	\$1,305.40

Detailed Disbursement Report

Accounts Payable ACH			
Payment Date	Payment Ref Nbr	Payee	Amount
11/28/22	6034288	COLEHOUR & COHEN INC	\$68,606.25
11/28/22	6034289	CONFLUENCE ENGINEERING GROUP LLC	\$6,594.35
11/28/22	6034290	CUZ CONCRETE PRODUCTS INC	\$2,033.15
11/28/22	6034291	DESIGNER DECAL INC	\$12,064.27
11/28/22	6034292	DUNLAP INDUSTRIAL HARDWARE INC	\$200.46
11/28/22	6034293	EVERETT STEEL INC	\$2,960.97
11/28/22	6034294	GENERAL PACIFIC INC	\$6,496.17
11/28/22	6034295	LENZ ENTERPRISES INC	\$1,727.67
11/28/22	6034296	LONGS LANDSCAPE LLC	\$15,467.45
11/28/22	6034297	THOMAS D MORTIMER JR	\$120.00
11/28/22	6034298	NORTHWEST CASCADE INC	\$2,307.31
11/28/22	6034299	OPEN ACCESS TECHNOLOGY INTL INC	\$846.66
11/28/22	6034300	PACIFIC MOBILE STRUCTURES INC	\$1,019.36
11/28/22	6034301	PAGERDUTY INC	\$858.16
11/28/22	6034302	DAVID JAMES PERKINS	\$1,700.00
11/28/22	6034303	RICHARDSON BOTTLING COMPANY	\$39.19
11/28/22	6034304	RICOH USA INC	\$6,036.69
11/28/22	6034305	RMG FINANCIAL CONSULTING INC	\$2,650.00
11/28/22	6034306	SEATTLE AUTOMOTIVE DISTRIBUTING INC	\$711.27
11/28/22	6034307	SENSUS USA INC	\$59,346.00
11/28/22	6034308	TMG SERVICES INC	\$1,058.97
11/28/22	6034309	TRANSAMERICAN POWER PRODUCTS INC	\$91,784.00
11/28/22	6034310	TYNDALE ENTERPRISES INC	\$20,842.68
11/28/22	6034311	ALTEC INDUSTRIES INC	\$924.97
11/28/22	6034312	ANIXTER INC	\$521,250.31
11/28/22	6034313	CAPITAL ARCHITECTS GROUP PC	\$13,995.00
11/28/22	6034314	NORTHWEST HERITAGE CONSULTANTS LLC	\$1,776.85
11/28/22	6034315	SEATTLE NUT & BOLT LLC	\$1,022.29
11/28/22	6034316	Z2SOLUTIONS LLC	\$85,127.92
11/28/22	6034317	MICHAEL NASH	\$8,723.99
11/28/22	6034318	SPINAL HEALTH CONSULTANTS INC	\$14,000.00
11/28/22	6034319	TRAFFIC CONTROL PLAN CO OF WA LLC	\$500.00

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Accounts Payable ACH			
Payment Date	Payment Ref Nbr	Payee	Amount
11/28/22	6034320	ATWORK COMMERCIAL ENTERPRISES LLC	\$59,111.50
11/28/22	6034321	REXEL USA INC	\$281.61
11/28/22	6034322	SMARTYSTREETS LLC	\$2,857.40
11/28/22	6034323	GOLDFARB & HUCK ROTH RIOJAS PLLC	\$52,345.46
11/28/22	6034324	RESOURCE INNOVATIONS INC	\$110,000.00
11/28/22	6034325	CURTIS A SMITH	\$9,467.20
11/28/22	6034326	QCERA INC	\$2,053.50
11/28/22	6034327	TARREN ACKERMANN	\$293.05
11/28/22	6034328	THEODORE BLAINE LIGHT III	\$3,568.50
11/28/22	6034329	K&D SERVICES INC	\$9,314.57
11/28/22	6034330	SHERELLE GORDON	\$32,000.00
11/28/22	6034331	DIAMOND VOGEL INC	\$725.60
11/28/22	6034332	GALAXY 1 COMMUNICATIONS	\$67.04
11/28/22	6034333	USIC HOLDINGS INC	\$55,523.12
11/28/22	6034334	DC GROUP INC	\$6,613.34
11/28/22	6034335	MIRO CONSULTING INC	\$3,600.00
11/28/22	6034336	BORDER STATES INDUSTRIES INC	\$69,638.14
11/28/22	6034337	MARIAN DACCA PUBLIC AFFAIRS LLC	\$6,800.00
11/28/22	6034338	STILLWATER ENERGY LLC	\$6,942.67
11/29/22	6034339	DEXSIL CORP	\$215.57
11/29/22	6034340	DOBLE ENGINEERING CO	\$109.20
11/29/22	6034341	HOWARD INDUSTRIES INC	\$13,339.66
11/29/22	6034342	JACO ANALYTICAL LAB INC	\$874.80
11/29/22	6034343	SCHWEITZER ENGINEERING LAB INC	\$3,161.27
11/29/22	6034344	STELLAR INDUSTRIAL SUPPLY INC	\$6,903.98
11/29/22	6034345	GORDON TRUCK CENTERS INC	\$6,338.07
11/29/22	6034346	WESTERN FACILITIES SUPPLY INC	\$868.84
11/29/22	6034347	COLEHOUR & COHEN INC	\$29,819.95
11/29/22	6034348	THE COMPLETE LINE LLC	\$328.60
11/29/22	6034349	HOGLUNDS TOP SHOP INC	\$274.74
11/29/22	6034350	LENZ ENTERPRISES INC	\$1,503.92
11/29/22	6034351	LONGS LANDSCAPE LLC	\$1,933.75

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Accounts Payable ACH			
Payment Date	Payment Ref Nbr	Payee	Amount
11/29/22	6034352	POLY BAG LLC	\$96.93
11/29/22	6034353	RICHARDSON BOTTLING COMPANY	\$56.35
11/29/22	6034354	ROHLINGER ENTERPRISES INC	\$350.67
11/29/22	6034355	SNOHOMISH COUNTY	\$33,910.80
11/29/22	6034356	TRICO COMPANIES LLC	\$171,509.20
11/29/22	6034357	ANIXTER INC	\$3,853.64
11/29/22	6034358	REXEL USA INC	\$62.18
11/29/22	6034359	HARNISH GROUP INC	\$49.67
11/29/22	6034360	DS SERVICES OF AMERICA INC	\$4,514.86
11/29/22	6034361	INFOSOL INC	\$1,050.00
11/29/22	6034362	BANK OF AMERICA NA	\$359,618.06
11/29/22	6034363	TWILIO INC	\$3,675.05
11/29/22	6034364	AGISSAR CORPORATION	\$247.71
11/29/22	6034365	K&D SERVICES INC	\$15,065.81
11/29/22	6034366	SHERELLE GORDON	\$2,728.82
11/29/22	6034367	SECURITEY SOLUTIONS NORTHWEST INC	\$43,574.34
11/29/22	6034368	CHANDLER ASSET MANAGEMENT INC	\$3,500.00
11/29/22	6034369	STILLY RIVER MECHANICAL INC	\$2,650.00
11/29/22	6034370	AARON JANISKO	\$367.26
11/29/22	6034371	NICHOLAS BELISLE	\$136.00
11/29/22	6034372	RACHELLE POWELL	\$153.52
11/29/22	6034373	MATTHEW KIMBALL	\$279.00
11/29/22	6034374	CHARLES HERSRUD	\$1,158.71
11/29/22	6034375	ANDREW PARTINGTON	\$497.00
11/29/22	6034376	JOHN HIEB	\$530.30
11/29/22	6034377	JOHN HAARLOW	\$689.78
11/29/22	6034378	JEREMY JAMES	\$477.00
11/29/22	6034379	SHAWN WIGGINS	\$68.14
11/29/22	6034380	COLE WALKER	\$309.00
11/29/22	6034381	MIGUEL MENA ENCARNACION	\$349.00
11/30/22	6034382	HOWARD INDUSTRIES INC	\$22,261.34
11/30/22	6034383	NELSON DISTRIBUTING INC	\$139.46

Detailed Disbursement Report

Accounts Payable ACH			
Payment Date	Payment Ref Nbr	Payee	Amount
11/30/22	6034384	NORTH COAST ELECTRIC COMPANY	\$2,083.97
11/30/22	6034385	SISKUN INC	\$1,790.83
11/30/22	6034386	PROLEC-GE WAUKESHA INC	\$1,113,639.78
11/30/22	6034387	STELLA-JONES CORPORATION	\$30,532.86
11/30/22	6034388	SNOHOMISH COUNTY SOCIETY OF	\$2,700.00
11/30/22	6034389	AARD PEST CONTROL INC	\$283.54
11/30/22	6034390	DALCO INC	\$278.44
11/30/22	6034391	ENERGY NORTHWEST	\$55,659.00
11/30/22	6034392	GENERAL PACIFIC INC	\$6,085.17
11/30/22	6034393	LONGS LANDSCAPE LLC	\$8,297.58
11/30/22	6034394	NORTHWEST CASCADE INC	\$1,105.91
11/30/22	6034395	TRAVIS PATTERN & FOUNDRY INC	\$2,280.98
11/30/22	6034396	TRICO COMPANIES LLC	\$128,291.82
11/30/22	6034397	WIRELESS STRUCTURES CONSULTING	\$71,297.63
11/30/22	6034398	UNITED RENTALS NORTH AMERICA INC	\$4,731.13
11/30/22	6034399	ALTEC INDUSTRIES INC	\$1,355.99
11/30/22	6034400	TRU-CHECK INC	\$375,592.63
11/30/22	6034401	THE GOODYEAR TIRE & RUBBER CO	\$14,987.63
11/30/22	6034402	ICONIX WATERWORKS INC	\$515.36
11/30/22	6034403	HARNISH GROUP INC	\$3,975.91
11/30/22	6034404	SHAWN MILLER	\$517.60
11/30/22	6034405	TREVOR VELASCO	\$258.16
12/1/22	6034406	ALLIANCE TO SAVE ENERGY	\$50,000.00
12/1/22	6034407	ASPLUNDH TREE EXPERT LLC	\$38,240.49
12/1/22	6034408	HOWARD INDUSTRIES INC	\$72,270.25
12/1/22	6034409	INTERCONTINENTAL EXCHANGE HOLDINGS	\$3,325.00
12/1/22	6034410	SCHWEITZER ENGINEERING LAB INC	\$393.86
12/1/22	6034411	CELLCO PARTNERSHIP	\$74,432.42
12/1/22	6034412	CUZ CONCRETE PRODUCTS INC	\$19,291.13
12/1/22	6034413	EDGE ANALYTICAL INC	\$430.54
12/1/22	6034414	WALTER E NELSON CO OF WESTERN WA	\$375.53
12/1/22	6034415	DELTA CONNECTS INC	\$5,749.83

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Accounts Payable ACH			
Payment Date	Payment Ref Nbr	Payee	Amount
12/1/22	6034416	ALTEC INDUSTRIES INC	\$4,760.91
12/1/22	6034417	FARWEST LINE SPECIALTIES LLC	\$367.00
12/1/22	6034418	WORKLOGIX MANAGEMENT INC	\$1,625.00
12/1/22	6034419	ENABLE NOW EXPERT LLC	\$1,375.00
12/1/22	6034420	FORMA CONSTRUCTION COMPANY	\$138,463.35
12/1/22	6034421	ALERA GROUP INC	\$10,612.50
12/1/22	6034422	AMERICAN CRAWLSPACE & PEST SERVICES	\$3,449.00
12/1/22	6034423	BREEZE FREE INC	\$100.00
12/1/22	6034424	CLEAN CRAWL INC	\$1,723.00
12/1/22	6034425	COZY HEATING INC	\$5,950.00
12/1/22	6034426	CM AIR PROS LLC	\$13,200.00
12/1/22	6034427	SIDNEY LOGAN	\$445.76
12/2/22	6034428	CENTRAL WELDING SUPPLY CO INC	\$24.73
12/2/22	6034429	PETROCARD INC	\$6,463.14
12/2/22	6034430	PITNEY BOWES PRESORT SERVICES LLC	\$236.50
12/2/22	6034431	ROMAINE ELECTRIC CORP	\$451.69
12/2/22	6034432	STELLA-JONES CORPORATION	\$33,484.86
12/2/22	6034433	PRATT DAY & STRATTON PLLC	\$577.50
12/2/22	6034434	TOPSOILS NORTHWEST INC	\$1,556.93
12/2/22	6034435	CELLCO PARTNERSHIP	\$5,767.74
12/2/22	6034436	HOGLUNDS TOP SHOP INC	\$1,327.04
12/2/22	6034437	NORTHWEST CASCADE INC	\$406.45
12/2/22	6034438	SOUND SAFETY PRODUCTS CO INC	\$130.77
12/2/22	6034439	SEMAPHORE CORP	\$1,977.10
12/2/22	6034440	INTELLIBIND TECHNOLOGIES LLC	\$8,566.00
12/2/22	6034441	FABER CONSTRUCTION CORP	\$557,555.70
12/2/22	6034442	HARNISH GROUP INC	\$11,226.95
12/2/22	6034443	DS SERVICES OF AMERICA INC	\$30.52
12/2/22	6034444	LISTEN AUDIOLOGY SERVICES INC	\$4,600.00
12/2/22	6034445	OAC SERVICES INC	\$501.66
12/2/22	6034446	FLEET SERVICE VEHICLE REPAIR LLC	\$646.51
12/2/22	6034447	MAPBOX INC	\$798.00

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Accounts Payable ACH			
Payment Date	Payment Ref Nbr	Payee	Amount
12/2/22	6034448	LIBERTY MUTUAL GROUP INC	\$23,957.18
12/2/22	6034449	ENERGY WORKS LLC	\$2,650.00
12/2/22	6034450	EMERALD CITY ENERGY INC	\$400.00
12/2/22	6034451	PEAK LOAD MANAGEMENT ALLIANCE INC	\$2,450.00
12/2/22	6034452	SEATOWN ELECTRIC HEATING & AIR CORP	\$1,650.00
12/2/22	6034453	REFINED CONSULTING GROUP	\$1,650.00
12/2/22	6034454	MICHAEL SHAPLEY	\$918.82
12/2/22	6034455	DAMON SPRAGUE	\$379.00
12/5/22	6034456	ASSOCIATED PETROLEUM PRODUCTS INC	\$81,387.30
12/5/22	6034457	COMMERCIAL FILTER SALES & SERVICE	\$6,185.97
12/5/22	6034458	DAVID EVANS & ASSOCIATES INC	\$10,641.00
12/5/22	6034459	DOBLE ENGINEERING CO	\$81.90
12/5/22	6034460	INTERWEST CONSTRUCTION INC	\$858,156.61
12/5/22	6034461	MOTOR TRUCKS INTL & IDEALEASE INC	\$2,955.82
12/5/22	6034462	NORTH COAST ELECTRIC COMPANY	\$193.80
12/5/22	6034463	PUGET SOUND ENERGY INC	\$1,219.46
12/5/22	6034464	ROMAINE ELECTRIC CORP	\$1,029.43
12/5/22	6034465	RWC INTERNATIONAL LTD	\$1,579.10
12/5/22	6034466	SISKUN INC	\$2,539.49
12/5/22	6034467	STELLAR INDUSTRIAL SUPPLY INC	\$16.54
12/5/22	6034468	TOPSOILS NORTHWEST INC	\$1,293.80
12/5/22	6034469	GORDON TRUCK CENTERS INC	\$552.40
12/5/22	6034470	BRAKE & CLUTCH SUPPLY INC	\$310.94
12/5/22	6034471	COLEHOUR & COHEN INC	\$7,413.75
12/5/22	6034472	GREENSHIELDS INDUSTRIAL SUPPLY INC	\$509.83
12/5/22	6034473	CUZ CONCRETE PRODUCTS INC	\$1,617.64
12/5/22	6034474	DESIGNER DECAL INC	\$1,394.63
12/5/22	6034475	GENERAL PACIFIC INC	\$15,588.09
12/5/22	6034476	LENZ ENTERPRISES INC	\$323.40
12/5/22	6034477	BRIAN DAVIS ENTERPRISES INC	\$37,791.10
12/5/22	6034478	NORTHWEST CASCADE INC	\$416.10
12/5/22	6034479	POWER ENGINEERS INC	\$3,953.65

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Accounts Payable ACH			
Payment Date	Payment Ref Nbr	Payee	Amount
12/5/22	6034480	ROHLINGER ENTERPRISES INC	\$10,203.09
12/5/22	6034481	WALTER E NELSON CO OF WESTERN WA	\$5,910.53
12/5/22	6034482	ALTEC INDUSTRIES INC	\$91.92
12/5/22	6034483	ANIXTER INC	\$82,833.04
12/5/22	6034484	SEMAPHORE CORP	\$1,410.83
12/5/22	6034485	AL VAN EQUIP NW INC	\$29,505.28
12/5/22	6034486	THE GOODYEAR TIRE & RUBBER CO	\$1,307.73
12/5/22	6034487	TRAFFIC CONTROL PLAN CO OF WA LLC	\$350.00
12/5/22	6034488	REXEL USA INC	\$294.25
12/5/22	6034489	LANE POWELL PC	\$3,678.00
12/5/22	6034490	K&D SERVICES INC	\$22,583.13
12/5/22	6034491	ARCHECOLOGY LLC	\$1,095.00
12/5/22	6034492	BORDER STATES INDUSTRIES INC	\$13,528.69
12/5/22	6034493	OXBOW LLC	\$18,007.50
12/5/22	6034494	IRENE HINZE	\$136.89
12/5/22	6034495	BRENDA WHITE	\$93.75
12/5/22	6034496	CHERI NELSON	\$51.26
12/5/22	6034497	DIANE STEELE	\$480.40
12/5/22	6034498	DAWN PRESLER	\$1,766.63
12/5/22	6034499	MELISSA MASHITA	\$533.25
12/5/22	6034500	ADAM LEWIS	\$615.72
12/5/22	6034501	KHAJA SHAHABUDDIN	\$632.02
12/5/22	6034502	JESSICA MARTIN	\$1,558.40
12/5/22	6034503	JANNE AVATARE	\$972.85
12/5/22	6034504	ERIC SCHELLBERG	\$331.19
12/5/22	6034505	SHAWN ARONOW	\$581.74
12/5/22	6034506	ERNEST FRIEND	\$763.50
12/5/22	6034507	BRIAN BOOTH	\$1,118.09
12/5/22	6034508	CODY BROULLETT	\$373.40
12/5/22	6034509	JASON COHN	\$1,149.71
12/6/22	6034510	VOID	\$0.00
12/6/22	6034511	ASSOCIATED PETROLEUM PRODUCTS INC	\$48,796.85

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Accounts Payable ACH			
Payment Date	Payment Ref Nbr	Payee	Amount
12/6/22	6034512	HOWARD INDUSTRIES INC	\$84,526.29
12/6/22	6034513	NELSON DISTRIBUTING INC	\$535.28
12/6/22	6034514	NORTH COAST ELECTRIC COMPANY	\$17,860.50
12/6/22	6034515	NORTHWEST POWER POOL CORP	\$7,647.57
12/6/22	6034516	OPEN TEXT INC	\$931.50
12/6/22	6034517	ROMAINE ELECTRIC CORP	\$2,155.71
12/6/22	6034518	RWC INTERNATIONAL LTD	\$341.49
12/6/22	6034519	SCHWEITZER ENGINEERING LAB INC	\$280.11
12/6/22	6034520	SNOHOMISH COUNTY SOCIETY OF	\$2,700.00
12/6/22	6034521	TOPSOILS NORTHWEST INC	\$776.28
12/6/22	6034522	GORDON TRUCK CENTERS INC	\$11,125.68
12/6/22	6034523	WW GRAINGER INC	\$182.12
12/6/22	6034524	LENZ ENTERPRISES INC	\$376.20
12/6/22	6034525	PORTAGE BAY SOLUTIONS INC	\$1,286.50
12/6/22	6034526	PUBLIC UTILITY DISTRICT EMPLOYEES	\$1,017.00
12/6/22	6034527	LOUIS F MATHESON CONSTRUCTION INC	\$2,976.16
12/6/22	6034528	ROHLINGER ENTERPRISES INC	\$38,692.43
12/6/22	6034529	SENSUS USA INC	\$44,839.20
12/6/22	6034530	SOUND SAFETY PRODUCTS CO INC	\$516.53
12/6/22	6034531	ULINE INC	\$113.96
12/6/22	6034532	OFFICE OF THE SECRETARY OF STATE	\$2,505.00
12/6/22	6034533	WESTERN SAFETY PRODUCTS INC	\$311.34
12/6/22	6034534	GRAYBAR ELECTRIC CO INC	\$1,481.43
12/6/22	6034535	ALTEC INDUSTRIES INC	\$2,652.95
12/6/22	6034536	ANIXTER INC	\$16,440.26
12/6/22	6034537	NORTHWEST HERITAGE CONSULTANTS LLC	\$1,900.65
12/6/22	6034538	ARC DOCUMENT SOLUTIONS LLC	\$7,596.29
12/6/22	6034539	HCL AMERICA INC	\$113,205.18
12/6/22	6034540	TRAFFIC CONTROL PLAN CO OF WA LLC	\$1,050.00
12/6/22	6034541	THE SISNEY GROUP LLC	\$2.07
12/6/22	6034542	BALLARD HARDWARE & SUPPLY INC	\$262.66
12/6/22	6034543	RADIANS INC	\$1,694.40

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Accounts Payable ACH			
Payment Date	Payment Ref Nbr	Payee	Amount
12/6/22	6034544	ARNETT INDUSTRIES LLC	\$8,941.47
12/6/22	6034545	HARNISH GROUP INC	\$3,303.88
12/6/22	6034546	FLEET SERVICE VEHICLE REPAIR LLC	\$286.71
12/6/22	6034547	THE ADT SECURITY CORPORATION	\$3,457.63
12/6/22	6034548	DRY BOX INC	\$5,907.13
12/6/22	6034549	BRENTON BODEWIG	\$136.00
12/6/22	6034550	SARAH BOND	\$155.00
12/6/22	6034551	ERIC BATES	\$179.65
12/6/22	6034552	MONICA GORMAN	\$208.75
12/6/22	6034553	GEORGE HESPE	\$38.75
12/6/22	6034554	MARIE MORRISON	\$475.47
12/6/22	6034555	JEFFREY FEINBERG	\$373.46
12/6/22	6034556	CLARK LANGSTRAAT	\$240.49
12/6/22	6034557	JEROME DRESCHER	\$303.15
12/6/22	6034558	RYAN COLLINS	\$40.00
12/7/22	6034559	ASPLUNDH TREE EXPERT LLC	\$41,243.01
12/7/22	6034560	DAVID EVANS & ASSOCIATES INC	\$11,290.38
12/7/22	6034561	HOWARD INDUSTRIES INC	\$13,913.34
12/7/22	6034562	MOSS ADAMS LLP	\$6,525.00
12/7/22	6034563	MOTOR TRUCKS INTL & IDEALEASE INC	\$1,055.09
12/7/22	6034564	MYERS & SONS HIWAY SAFETY INC	\$5,323.57
12/7/22	6034565	NORTHSTAR CHEMICAL INC	\$513.00
12/7/22	6034566	ROMAINE ELECTRIC CORP	\$1,207.32
12/7/22	6034567	RWC INTERNATIONAL LTD	\$5,189.50
12/7/22	6034568	STAR RENTALS INC	\$1,578.92
12/7/22	6034569	STELLAR INDUSTRIAL SUPPLY INC	\$4,638.75
12/7/22	6034570	STELLA-JONES CORPORATION	\$31,163.40
12/7/22	6034571	TACOMA SCREW PRODUCTS INC	\$102.82
12/7/22	6034572	TOPSOILS NORTHWEST INC	\$776.28
12/7/22	6034573	GORDON TRUCK CENTERS INC	\$6,130.52
12/7/22	6034574	VAN NESS FELDMAN LLP	\$3,711.50
12/7/22	6034575	WEST COAST PAPER CO	\$3,149.29

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Accounts Payable ACH			
Payment Date	Payment Ref Nbr	Payee	Amount
12/7/22	6034576	WETLAND RESOURCES INC	\$1,045.00
12/7/22	6034577	WILLIAMS SCOTSMAN INC	\$2,433.50
12/7/22	6034578	DICKS TOWING INC	\$1,483.65
12/7/22	6034579	EDGE ANALYTICAL INC	\$3,032.32
12/7/22	6034580	GENERAL PACIFIC INC	\$1,052.54
12/7/22	6034581	GEOENGINEERS INC	\$2,121.25
12/7/22	6034582	HD FOWLER COMPANY INC	\$1,929.24
12/7/22	6034583	HERRERA ENVIRONMENTAL CONSULTANTS I	\$5,573.86
12/7/22	6034584	BEN-KO-MATIC CO	\$307.21
12/7/22	6034585	LOUIS F MATHESON CONSTRUCTION INC	\$258.96
12/7/22	6034586	TOTAL RECLAIM INC	\$1,320.47
12/7/22	6034587	STATE OF WASHINGTON	\$20,472.59
12/7/22	6034588	WEX BANK	\$119,586.68
12/7/22	6034589	GRAYBAR ELECTRIC CO INC	\$710.17
12/7/22	6034590	ALTEC INDUSTRIES INC	\$106.47
12/7/22	6034591	ANIXTER INC	\$38,959.92
12/7/22	6034592	ROADPOST USA INC	\$1,006.08
12/7/22	6034593	THE GOODYEAR TIRE & RUBBER CO	\$496.00
12/7/22	6034594	TRAFFIC CONTROL PLAN CO OF WA LLC	\$175.00
12/7/22	6034595	BURNS & MCDONNELL ENGR CO INC	\$38,678.56
12/7/22	6034596	HARNISH GROUP INC	\$3,752.42
12/7/22	6034597	SMARTYSTREETS LLC	\$2,857.40
12/7/22	6034598	BALLARD HARDWARE & SUPPLY INC	\$48,146.41
12/7/22	6034599	OPENSQUARE HOLDINGS	\$2,190.11
12/7/22	6034600	K&D SERVICES INC	\$24,519.19
12/7/22	6034601	UTEGRATION LLC	\$470,042.10
12/7/22	6034602	AMERICAN CRAWLSPACE & PEST SERVICES	\$1,893.50
12/7/22	6034603	CLEAN CRAWL INC	\$2,205.50
12/7/22	6034604	CM AIR PROS LLC	\$14,200.00
12/7/22	6034605	JASON ZYSKOWSKI	\$519.88
12/7/22	6034606	HOLLY CHANEY	\$327.86
12/7/22	6034607	RICHARD ROSENKILDE	\$835.00

Detailed Disbursement Report

Accounts Payable ACH			
Payment Date	Payment Ref Nbr	Payee	Amount
12/7/22	6034608	DYANEE BOUTON	\$317.13
12/7/22	6034609	KELSEY LEWIS	\$634.65
12/7/22	6034610	JOANNE JONES	\$284.00
12/7/22	6034611	GILLIAN ANDERSON	\$50.64
12/7/22	6034612	JOSE FRAGOSO	\$98.78
12/8/22	6034613	TRENCHLESS CONSTR SVCS LLC	\$42,361.64
12/8/22	6034614	WW GRAINGER INC	\$116.79
12/8/22	6034615	ENTERPRISE FABRICATORS CO INC	\$144,746.00
12/8/22	6034616	GEOSPATIAL INNOVATIONS INC	\$134,876.00
12/8/22	6034617	NORTHWEST CASCADE INC	\$818.50
12/8/22	6034618	REINHAUSEN MANUFACTURING INC	\$712.83
12/8/22	6034619	LOUIS F MATHESON CONSTRUCTION INC	\$64.74
12/8/22	6034620	PACHECOS LANDSCAPING LLC	\$6,115.67
12/8/22	6034621	GORDON HAYSLIP	\$370.58
12/8/22	6034622	JOSHUA ROBERTS	\$393.50
12/8/22	6034623	GIUSEPPE FINA	\$739.85
12/8/22	6034624	ROBERT CROUCH	\$9.11
12/9/22	6034625	FASTENAL COMPANY	\$533.12
12/9/22	6034626	PARAMETRIX INC	\$7,812.50
12/9/22	6034627	RWC INTERNATIONAL LTD	\$288.25
12/9/22	6034628	COLEHOUR & COHEN INC	\$9,803.75
12/9/22	6034629	GRAYBAR ELECTRIC CO INC	\$216.22
12/9/22	6034630	SEATTLE NUT & BOLT LLC	\$774.80
12/9/22	6034631	TARREN ACKERMANN	\$16,593.41
12/9/22	6034632	LIBERTY MUTUAL GROUP INC	\$7,232.29

Total: \$8,854,495.95

Detailed Disbursement Report

Accounts Payable Wires			
Payment Date	Payment Ref Nbr	Payee	Amount
11/28/22	7002700	US DEPARTMENT OF ENERGY	\$4,272,666.00
11/28/22	7002701	WHEAT FIELD WIND POWER PROJECT LLC	\$1,200,747.89
11/30/22	7002702	US BANK	\$101,309.00
12/6/22	7002703	US DEPARTMENT OF ENERGY	\$31,098.73
12/6/22	7002704	ICMA-RC	\$200,859.21
12/6/22	7002705	PUBLIC UTILITY DIST NO 1 OF SNOHOMI	\$32,291.00
12/6/22	7002706	ICMA-RC	\$550,961.94
12/9/22	7002707	US BANK NA	\$2,023,293.05
Total:			\$8,413,226.82

Detailed Disbursement Report

Payroll			
Period End Date	Payment Ref Nbr	Payee	Amount
12/5/22	5300000731	PUD EMPLOYEES - DIRECT DEPOSIT	\$4,583,606.39
12/7/22	844814 - 844823	PUD EMPLOYEES - WARRANTS	\$29,369.31

Detailed Disbursement Report

Automatic Debit Payments			
Payment Date	Payment Ref Nbr	Payee	Amount
12/1/22	5300000729	US BANK NATIONAL ASSN	\$4,874,625.90
12/2/22	5300000730	WELLNESS BY WISHLIST INC	\$18,052.07
12/5/22	5300000731	ADP INC	\$1,116,566.24
12/1/22	5300000732	US BANK NATIONAL ASSN	\$24,701,971.88
12/6/22	5300000733	ELAVON INC DBA MERCHANT S	\$1,156.84
12/7/22	5300000734	WELLNESS BY WISHLIST INC	\$3,667.28
12/9/22	5300000735	STATE OF WA DEPT OF REVEN	\$1,753.56
12/9/22	5300000736	WELLNESS BY WISHLIST INC	\$43,787.11

Total: \$30,761,580.88



BUSINESS OF THE COMMISSION

Meeting Date: December 20, 2022

Agenda Item: 4D

TITLE:

Consideration to Prequalify Contractors as Bidders for Electrical Line Work for the District During 2023

SUBMITTED FOR: Consent Agenda

Contracts/Purchasing _____	Clark Langstraat _____	5539 _____
<i>Department</i>	<i>Contact</i>	<i>Extension</i>
Date of Previous Briefing: _____		
Estimated Expenditure: _____		Presentation Planned <input type="checkbox"/>

ACTION REQUIRED:

- Decision Preparation
- Policy Discussion
- Policy Decision
- Statutory
- Incidental (Information)
- Monitoring Report

SUMMARY STATEMENT:

Identify the relevant Board policies and impacts:

Governance Process, Board Job Description: GP-3(4)(E) a non-delegable, statutorily assigned Board duty.

RCW 54.04.085 requires that the District annually prequalify contractors bidding on certain categories of public works contracts prior to furnishing proposal forms to such bidders. For the calendar year 2023, thirty-eight (38) previously prequalified contractors requested renewal of their prequalification by affidavit, and five (5) new contractors applied for prequalification, for a total of forty-three (43) contractors.

After a review of each applicant, as summarized in the Prequalification Report, by representatives from Distribution Construction Services; Transmission, Engineering, Generation Engineering, Joint Use and Standards; Finance & Risk Management; and Safety; staff recommends the forty-three (43) contractors listed on Exhibit A, be prequalified to bid electrical line construction work in the year 2023 for the category(s) listed.

- List Attachments:*
- Prequalification Report
 - Exhibit A

PREQUALIFICATION REPORT

RECOMMENDATION TO PREQUALIFY CONTRACTORS FOR THE YEAR 2023 FOR ELECTRICAL CONSTRUCTION WORK

As required by RCW 54.04.085, the District must prequalify contractors interested in bidding electrical construction contracts.

RECOMMENDATION:

Based upon a review of each applicant's:

- Technical skills and qualifications to perform the work for which they have applied
- Financial condition
- Organizational/Operational experience
- References/Record of performance over the last (18 mo. or longer depending on category)
- Overall ability to comply with District contracting requirements
- Current registration with the State of Washington
- Current Workers Compensation and Employers' Liability
- Safety Record
- OSHA 300A Report,

The Committee recommends the forty-three (43) contractors identified in Exhibit A be prequalified to bid on electrical construction work during the year 2023.

PROCESS:

Staff work was performed by representatives from Contracts & Purchasing; Distribution Construction Services; Transmission, Engineering, Generation Engineering, Joint Use & Standards; Finance & Risk Management; and Safety; for an evaluation of each contractor submitting an affidavit/application.

The annual process evaluates new applicants and ensures continued competency in those contractors that have been previously prequalified. Contractors requesting renewal by affidavit which have not done work for the District in the previous three (3) years are required to submit updated references for such category(s) of work. The District received thirty-eight (38) requests for renewal by affidavit and five (5) requests for prequalification from new applicants.

The recommendations that follow have been determined using District guidelines based on reference checks, Safety records from OSHA and the State of Washington Department of Labor and Industries, Industrial Safety and Health Division and OSHA's 300A Summary of Work-Related Injuries and Illnesses, and financial records.

RECOMMENDED:

After contacting references provided by applicants, and receiving favorable comments, staff recommend the following contractors:

New Contractors

Cannon Construction LLC
EC Company dba EC Electric.
JF Brennan company Inc
Olympic Electric Inc
Riverline Power

Category(s):

A-1, B-1
B-1
B-2
A-2
B-1

Current Contractors

Sturgeon Electric Company Inc

Additional Category(s):

C-1, B-11

NOT RECOMMENDED:

The following contractors are not recommended:

New Applications:

Cannon Construction, LLC
EC Company dba EC Electric
Olympic Electric, Inc.
Riverline Power

Basis for recommendation*:

D-1, B-6 (insufficient references)
B-10, C-1, C-2 (insufficient references)
A-1, A-4 (insufficient references)
A-1, A-2, A-4, B-3, C-1 (insufficient references)

Current Contractors:

Barnard
Burke
Cannon Constructors Inc
Henkels & McCoy
International Line Builders Inc
Pacific Cable Construction Inc
Palouse Power
Sturgeon Electric Company Inc.
Summit Line Construction Inc.
Wilson Construction Company Inc.

Basis for recommendation*:

C-1 (insufficient references)
C-2 (insufficient references)
B-1, B-10 (insufficient references)
A-4 (insufficient references)
B-9 (insufficient references)
A-1 (insufficient references)
C-1, C-2 (insufficient references)
B-3, B-6, B-8 (insufficient references)
B-1 (insufficient references)
C-1 (insufficient references)

*See Exhibit A for description of work categories.

VIOLATION HISTORY REPORTS:

Safety records from OSHA and the State of Washington Department of Labor and Industries, Industrial Safety and Health Division were reviewed by the Safety Department, and nothing was found to disqualify the contractors requesting to be prequalified.

OSHA 300A REPORTS (Summary of Work-Related Injuries and Illnesses):

OSHA 300A Reports were reviewed by the Safety Department and all contractors were found to be within District guidelines.

**EXHIBIT A
PREQUALIFICATION 2023
RECOMMENDED CONTRACTORS**

CATEGORIES OF WORK:

A. Overhead Line Construction

- A-1 Distribution, 12kV
- A-2 Transmission, 115 kV
- A-4 Telecommunications Cable
- A-5 Transmission, 230 kV

B. Underground Line Construction

- B-1 Distribution, 12 kV
- B-2 Distribution, Submarine Cable
- B-3 Plowing, Solid-Dielectric Power Cables
- B-6 Directional/Conventional Boring Work
- B-7 Cable Injection Work
- B-8 Distribution Pot Holing
- B-9 Transmission, 115 kV
- B-10 Telecommunications Cable
- B-11 Distribution, 34.5 kV

C. Substation

- C-1 Electrical Facility Construction
- C-2 Electrical Facility Construction, 230 kV

D. Right-of-Way Clearing and Maintenance

- D-1 Tree and Brush Work
- D-2 Spraying

E. Pole Treatment, Reinforcement and Repair

- E-1 Groundline Preservation

PREQUALIFICATION IS NOT REQUIRED IN THE FOLLOWING CATEGORIES OF WORK: B-4 (BACKHOE, EXCAVATION WORK); B-5 (BULLDOZER AND TRACKHOE, EXCAVATION WORK); C-2 (SUBSTATION MAINTENANCE, INTERNAL); C-3 (SUBSTATION, EQUIPMENT PAINTING); D-3 (CLEARING, GRADING AND LANDSCAPING ONLY); E-2 (POLE RESTORATION - FORMERLY A-3 STUBBING).

CONTRACTOR	PREQUALIFIED CATEGORIES	AFFIDAVIT RECEIVED	COMMENTS
1 Advanced Boring Specialists, Inc.	B-6; B-8	X	
2 Alamon, Inc.	E-1	X	
3 Asplundh Tree Expert, LLC	D-1; D-2	X	
4 Barnard Construction Company	A-2; A-5	X	
5 Basin Tree Service & Pest Control, Inc.	D-1	X	

CONTRACTOR	PREQUALIFIED CATEGORIES	AFFIDAVIT RECEIVED	COMMENTS
6 Burke Electric, LLC	B-1, C-1	X	
7 Caldwell Marine International, LLC	B-2	X	
8 Cannon Construction LLC	A-1, B-1	X	NEW Applicant
9 Cannon Constructors, Inc.	A-1, B-6	X	
10 Cascade Cable Constructors, Inc.	B-3; B-6; B-8	X	
11 Christenson Electric, Inc.	A-1; A-2; A-4; A-5; B-1; B-10; C-1; C-2	X	
12 Davey Resource Group	E-1	X	
13 Davey Tree Surgery Co.	D-1; E-1	X	
14 DJ's Electrical, Inc.	A-1; A-2; A-4; A-5; B-1; B-6; C-1	X	
15 EC Company dba EC Electric	B-1	X	NEW Applicant
16 Henkels & McCoy, Inc.	A-1; A-2; A-5; B-1; B-6; B-10; B-11; C-1; C-2	X	
17 High Country Line Construction, Inc.	A-1; A-2; A-5; C-1; C-2	X	
18 Intec Services, Inc.	E-1	X	
19 International Line Builders, Inc.	A-1; A-2; A-4; A-5; B-1; B-6; B-8; B-10	X	
20 JF Brennan Company Inc.	B-2	X	NEW Applicant
21 Kemp West, Inc.	D-1	X	
22 Magnum Power, LLC	A-1; A-2; A-4; A-5; B-1; B-3; B-6; B-8; B-10; C-1	X	
23 Mi-Tech Services, Inc.	E-1	X	
24 M10 dba Michels Pacific Energy, Inc.	A-1; A-2; A-4; A-5; B-1; B-3; B-6; B-8; B-9; B-10; B-11; C-1; C-2	X	
25 Mountain Power Construction Co.	A-1; A-2; A-4; A-5; B-1; B-3; B-8	X	
26 Novinium, Inc.	B-1, B-7	X	
27 Olympic Electric Company Inc.	A-2	X	NEW Applicant
28 Osmose Utilities Services, Inc.	E-1	X	

CONTRACTOR	PREQUALIFIED CATEGORIES	AFFIDAVIT RECEIVED	COMMENTS
29 Pacific Cable Construction, Inc.	B-6; B-8	X	
30 Palouse Power	A-1; A-2; A-4; B-1	X	
31 PAR Western Line Contractors LLC	A-1; A-2; A-4; A-5; B-1; B-9; B-10; C-1; C-2	X	
32 Potelco, Inc.	A-1; A-2; A-4; A-5; B-1; B-6; B-11; C-1; C-2	X	
33 Power City Electric, Inc.	A-1; B-1; C-1	X	
34 River Line Power LLC	B-1	X	NEW Applicant
35 Salish Construction Company	A-1	X	
36 Sturgeon Electric Company, Inc.	A-1; A-2; A-4; A-5; B-1; B-10; B-11, C-1, C-2	X	
37 Summit Line Construction, Inc.	A-1; A-2; A-4; A-5; B-8; C-1; C-2	X	
38 Tice Electric Company	C-1; C-2	X	
39 Titan Electric, Inc. dba Titan Electric Contracting, Inc.	A-1; A-2; A-4; A-5; B-1; B-3; B-6; B-8; B-11; C-1; C-2	X	
40 Trenchless Construction Services, Inc.	B-6; B-8	X	
41 Wilson Construction Company	A-1; A-2; A-4; A-5; B-1; C-2	X	
42 Wright Tree Service, Inc.	D-1; D-2	X	
43 Yates Line Construction Company	A-1; A-2; B-1	X	



BUSINESS OF THE COMMISSION

Meeting Date: December 20, 2022

Agenda Item: 5A

TITLE

Disposal of Surplus Property – 1st Quarter 2023

SUBMITTED FOR: Public Hearing and Action

<u>Materials Management & Warehouse</u>	<u>Hud Allworth</u>	<u>5005</u>
<i>Department</i>	<i>Contact</i>	<i>Extension</i>
Date of Previous Briefing: _____		
Estimated Expenditure: _____		Presentation Planned <input type="checkbox"/>

ACTION REQUIRED:

- Decision Preparation
- Policy Discussion
- Policy Decision
- Statutory
- Incidental (Information)
- Monitoring Report

SUMMARY STATEMENT:

Identify the relevant Board policies and impacts:

Governance Process, Board Job Description, GP-3(4) --- non-delegable, statutorily assigned Board duty.

Request approval to dispose of various materials and equipment from all Divisions, as set forth on Exhibit "A" that accumulated during the previous quarter. These items are no longer necessary or useful to the District and will be sold for high bid, scrap, junk, or used as trade-in.

Request advance approval to dispose of those materials set forth on Exhibit "B" that will accumulate during the First Quarter of the year 2023. The materials listed on Exhibit "B" include waste transformer oil, unserviceable distribution transformers, unserviceable radiators, pipes, storage tanks, etc., containing PCB material, scrap metal, assorted sizes of tires, obsolete automotive parts, obsolete/scrap transmission and distribution inventory, obsolete/scrap substation inventory, obsolete/scrap material and equipment, obsolete/scrap CPUs and computer components, miscellaneous electronics and obsolete/scrap miscellaneous furnishings to include chairs, desks, cabinets, tables and work surfaces.

List Attachments:

Exhibit A

Exhibit B

SURPLUS PROPERTY RECOMMENDATIONS

EXHIBIT A

1st QUARTER 2023

DESCRIPTION	STORES REF. #	PURCHASE YEAR	ORIGINAL PURCHASE PRICE	APPROX. MARKET VALUE	DISPOSAL METHOD
1. Misc. Emergency Supplies: Excess inventory of obsolete emergency supplies used in disaster relief. The emergency provisions were dispersed to all office locations within the District and stored in large shipping containers at each site. Items are in poor condition due to a lack of proper maintenance and the environment they have been store. Items included for disaster relief include various survival items such as; hygiene kits, cots, blankets, first aid, bandaging etc. It is recommended we donate any of the usable items to our local Snohomish County agencies in need.	S-5473	N/A	N/A	\$ 0.00	Donate

SURPLUS PROPERTY RECOMMENDATIONS

EXHIBIT B

1st QUARTER 2023

DESCRIPTION	PURCHASE YEAR	ORIGINAL PURCHASE PRICE	APPROX. MARKET VALUE	DISPOSAL METHOD
1. Waste transformer oil, bulk mineral oil containing PCBs less than 2 ppm to be disposed of as needed in the 1st Quarter 2023.	Various	Various	\$ TBD / KVA (paid to District)	Dechlorinated to <1 ppm PCB <i>Annual bid has not closed. Award recommendation will be submitted for approval.</i>
2. Waste transformer oil, PCBs between 2 to less than 49 ppm to be disposed of as needed in the 1st Quarter 2023.	Various	Various	\$ TBD / KVA (paid to District)	Dechlorinated to <1 ppm PCB At
3. Waste transformer oil, PCBs greater than or equal to 50 ppm to be disposed of as needed in the 1st Quarter 2023.	Various	Various	\$ TBD / Gallon (billed District)	Dechlorinated to <1 ppm PCB
4. Unserviceable distribution transformers and electrical equipment containing PCBs of less than 1 ppm to be disposed of as needed in the 1st Quarter 2023.	Various	Various	\$ TBD / KVA (paid to District)	Oil recycled equipment is rebuilt for resale or scrapped for metal recovery.
5. Unserviceable distribution transformers and electrical equipment containing PCBs equal to 1 through 49 ppm to be disposed of as needed in the 1st Quarter 2023.	Various	Various	\$ TBD/ KVA (paid to District)	Bid is in process. Will submit award recommendation Submitting recommended
6. Unserviceable distribution transformers and electrical equipment, PCBs greater than or equal to 50 ppm to be disposed of as needed in the 1st Quarter 2023.	Various	Various	\$ TBD / Lb. (billed District)	Incinerated by Clean Harbors ES

SURPLUS PROPERTY RECOMMENDATIONS

EXHIBIT B

1st QUARTER 2023

DESCRIPTION	PURCHASE YEAR	ORIGINAL PURCHASE PRICE	APPROX. MARKET VALUE	DISPOSAL METHOD
7. Unserviceable PCB contaminated radiators, pipes, scrap metal and storage tanks drained of oil containing PCBs to be disposed of as needed in the 1st Quarter 2023.	Various	Various	\$ TBD / Lb. (billed District)	Incinerated by Clean Harbors ES
8. Scrap metal including: copper, aluminum, brass, steel, iron, meters, potential transformers and current transformers to be sold as needed in the 1st Quarter 2023.	Various	Various	\$125,000 (Average based on previous 4 quarters)	High Bid
9. Assorted sizes of tires, tubes and casings to be scrapped as needed in the 1st Quarter 2023.	Various	Various	Various	Scrap
10. Obsolete miscellaneous auto parts and supplies including: fire extinguishers, polyester rope, strobe lights and other related automotive materials to be sold as needed in the 1st Quarter 2023.	Various	Various	\$14,000.00 (Average based on previous 4 quarters)	High Bid
11. Obsolete or miscellaneous auto parts and supplies including: fire extinguishers, polyester rope, strobe lights and other related automotive materials to be scrapped as needed in the 1st Quarter 2023.	Various	Various	Various	Scrap
12. Obsolete or miscellaneous Transmission and Distribution inventory to include: street lighting, poleline hardware, concrete products, wire, transformers and other related materials to be sold as needed in the 1st Quarter 2023.	Various	Various	\$35,000.00 (Average based on previous 4 quarters)	High Bid

SURPLUS PROPERTY RECOMMENDATIONS

EXHIBIT B

1st QUARTER 2023

DESCRIPTION	PURCHASE YEAR	ORIGINAL PURCHASE PRICE	APPROX. MARKET VALUE	DISPOSAL METHOD
13. Obsolete or miscellaneous Transmission and Distribution inventory to include: street lighting, poleline hardware, concrete products, wire, transformers and other related materials to be scrapped as needed in the 1st Quarter 2023.	Various	Various	Various	Scrap
14. Obsolete or miscellaneous Transmission and Distribution inventory to include: street lighting, poleline hardware, concrete products, wire, transformers and other related materials to be traded as needed in the 1st Quarter 2023.	Various	Various	Various	Trade
15. Obsolete or scrap material and/or equipment including: adding machines, calculators, typewriters and other related items to be sold as needed in the 1st Quarter 2023.	Various	Various	\$500.00 (Average based on previous 4 quarters)	High Bid
16. Obsolete or scrap material and/or equipment to include: adding machines, calculators, typewriters and other related items to be scrapped as needed in the 1st Quarter 2023.	Various	Various	Various	Scrap
17. Obsolete or scrap material and/or equipment to include: adding machines, calculators, typewriters and other related items to be traded as needed in the 1st Quarter 2023.	Various	Various	Various	Trade
18. Obsolete or miscellaneous computer components to include: CPUs, monitors, keyboards, printers and miscellaneous electronics, to be sold as needed in the 1st Quarter 2023.	Various	Various	\$8,000.00 (Average based on previous 4 quarters)	High Bid

SURPLUS PROPERTY RECOMMENDATIONS

EXHIBIT B

1st QUARTER 2023

DESCRIPTION	PURCHASE YEAR	ORIGINAL PURCHASE PRICE	APPROX. MARKET VALUE	DISPOSAL METHOD
19. Obsolete or miscellaneous computer components to include: CPUs, monitors, keyboards, printers and miscellaneous electronics to be recycled, scrapped or junked as needed in the 1st Quarter 2023.	Various	Various	Various	Recycle/Scrap/Junk
20. Obsolete or miscellaneous furnishings to include: chairs, desks, cabinets and table work surfaces to be sold as needed in the 1st Quarter 2023.	Various	Various	\$100.00 (Average based on previous 4 quarters)	High Bid
21. Obsolete and/or miscellaneous furnishings to include: chairs, desks, cabinets and table work surfaces that are damaged beyond economical repair to be scrapped in the 1st Quarter 2023.	Various	Various	\$50.00 (Average based on previous 4 quarters)	Scrap
22. Pre-Authorization for any material "trade-ins" to be used as a credit against the purchase price of new products of the same type procured for District use; to the extent such "trade-ins" are consistent with standard industry practices, with respect to the applicable category of item in the 1st Quarter 2023.	Various	Various	Various	Trade
23. Pre-Authorization for any obsolete or miscellaneous Tool Room equipment and/or material to be sold during the 1st Quarter 2023.	Various	Various	\$45,000.00 (Average based on previous 4 quarters)	High Bid
24. Pre-Authorization for any obsolete or miscellaneous Tool Room equipment and/or material to be traded during the 1st Quarter 2023.	Various	Various	Various	Trade
25. Pre-Authorization for any obsolete or miscellaneous Tool Room equipment and/or material, to be junked during the 1st Quarter 2023.	Various	Various	Various	Junk

SURPLUS PROPERTY RECOMMENDATIONS

EXHIBIT B

1st QUARTER 2023

DESCRIPTION	PURCHASE YEAR	ORIGINAL PURCHASE PRICE	APPROX. MARKET VALUE	DISPOSAL METHOD
26. Pre-Authorization for any obsolete or miscellaneous Water Department equipment and/or material to be sold during the 1st Quarter 2023.	Various	Various	\$800.00 (Average based on previous 4 quarters)	High Bid
27. Pre-Authorization for any obsolete or miscellaneous Water Department equipment and/or material to be scrapped during the 1st Quarter 2023.	Various	Various	Various	Scrap
28. Pre-Authorization for any obsolete or miscellaneous Generation Department equipment and/or material to be sold or scrapped during the 1st Quarter 2023.	Various	Various	\$250.00 (Average based on previous 4 quarters)	Sell/Scrap
29. Pre-Authorization for any Departments obsolete or miscellaneous equipment and/or material to be sold or scrapped during the 1st Quarter 2023.	Various	Various	Various	Sell/Scrap
30. Pre-Authorization for any obsolete or miscellaneous Telecom equipment and/or material to be sold or scrapped during the 1st Quarter 2023.	Various	Various	\$24,000 (Average based on previous 4 quarters)	Sell/Scrap
31. Pre-Authorization for the transfer of poles removed from service, free of charge. Allowable on a "first come, first serve" basis in the following order: i. Customer/Property owners adjacent to pole, ii. To a customer/property owner near the pole, if requested or, iii. Crew members if no customer/property owner requests	Various	Various	N/A	Scrap

AWARD RECOMMENDATIONS FOR APPROVAL

The successful Bidder for our scrap material quarterly bid is: **Schnitzer Steel Industries**

BID AWARD RECOMMENDATIONS PENDING

Transformer equipment containing less than <1 ppm PCB oil: **Award status pending**

Transformer equipment containing 2 to less than <49 ppm PCB oil: **Award status pending**

Annual bid for bulk mineral oil recycling: **Award status pending**

of an LUD. Since only those requesting financing for water service have signed Connection Agreements, the LUD has 100 percent property owner support.

To expedite the process, applicants waive publishing notice of the public hearing in The Herald and agree to receive a written notice sent by mail at least 15 days prior to the hearing on formation of the LUD and confirmation of the assessment roll. Property owners were mailed a notice of the hearing and final assessment roll on November 16, 2022.

If adopted, the Resolution included in the packet will approve the final assessment roll and confirm that the assessments are equitable and proper and fairly reflect the benefits to the assessed properties. The Resolution also directs the Snohomish County Treasurer to establish a fund to receive all payments of principal, interest, and penalties made with respect to the assessment roll.

List Attachments:

- Resolution
- Exhibit A
- Exhibit B

RESOLUTION NO. _____

A RESOLUTION Ordering, Approving, Ratifying and Confirming the Construction and Installation of the Plan or System of Additions to the District's Water Utility, as Adopted on November 15, 2022, and Applicable to the Local Utility District Hereinafter Described, Forming Local Utility District No. 65 of Snohomish County, Washington, and Confirming the Final Assessment Roll

WHEREAS, by Resolution No. 6090 passed by the Board of Commissioners of the District on November 15, 2022, a plan or system of additions and related appurtenances to the District's Water Utility, all in accordance with the Feasibility Study in "Exhibit B" thereto, which by this reference is made a part hereof, was adopted, which resolution also declared the intention of the Board of Commissioners to form Local Utility District No. 65 in connection with carrying out such plan; and

WHEREAS, the boundaries and a general description of the proposed local utility district, together with the names and addresses of the owners of all lots, parcels, or tracts of land or other property within such local utility district, as shown on the tax rolls of the County Treasurer, and the legal descriptions and proposed annual assessments for all such lots, parcels or tracts of land or other property within the proposed local utility district, are as set forth in the Final Assessment Roll in "Exhibit A" attached hereto and by this reference incorporated herein; and

WHEREAS, on November 16, 2022, written notice of the hearing to form such proposed local utility district and adopt related assessment rolls was sent by first class mail, U.S. postage prepaid, to the owners of all lots, parcels, or tracts of land or other property within the proposed local utility district; and

WHEREAS, the publication of such notice has been waived in writing by each and every member of the proposed local utility district; and

WHEREAS, no protest petition signed by fifty percent (50%) or more of the property owners within such proposed local utility district was filed with the Secretary of the Board of Commissioners on or before twelve o'clock noon on the date fixed for hearing; and

WHEREAS, on December 20, 2022, commencing at 1:30 p.m., the Commission conducted a hearing on such proposed local utility district, and considered all timely written objections and oral arguments presented for or against the formation of such district and for or against the proposed assessment roll for such district; and

WHEREAS, under the State Environmental Policy Act, WAC 197-11-800 (16) and - 800 (23)(b), no environmental checklist was prepared prior to the formation and construction of Local Utility District No. 65; and

WHEREAS, the Commission finds that it is reasonable and proper and in the best interest of the District to form Local Utility District No. 65 as hereinbefore described, and to confirm the assessment roll for such local utility district.

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

Section 1. The construction of the plan or system of additions to and extensions of the District's Water Utility as adopted in Resolution No. 6090 and as more particularly set forth in "Exhibit B" thereto, is hereby approved, ratified and confirmed.

Section 2. The proposed Local Utility District No. 65 of Snohomish County, Washington, as more particularly described in "Exhibit A," appears to be financially and economically feasible, and is hereby formed.

Section 3. The cost and expense of carrying out the plan or system provided in Section 1, including construction and installation, overhead and general expenses and engineering and legal expenses, is hereby declared to be \$32,405. Not to exceed 100 percent of such cost and expense shall be borne by assessments against property within said local utility district specially benefited by the improvement. The Commission finds that the cost and expense to be borne by each lot is not greater than the benefit to be conferred on each lot.

Section 4. Assessment shall be made against the property within said local utility district on a per buildable lot basis. Each assessment shall include, in addition to a proportionate share of the cost of facilities constructed as part of the plan or system described in Section 1 hereof, a general facilities charge, which represents the charge imposed by the District for access to the source, storage and transmission facilities of the District's Water Utility. A connection charge shall also be levied for each service connection. The Board of Commissioners hereby finds that such method of assessment is equitable and proper and fairly reflects the special benefits to the respective assessed properties.

Section 5. The proposed final assessment roll and assessments for Local Utility District No. 65 as set forth in the attached "Exhibit A" is fair and reasonable and is hereby approved and confirmed.

Section 6. The assessments in such utility district may be paid in cash, without penalty, interest or cost, at any time within thirty days from the first day of publication of notice by the Treasurer of Snohomish County, Washington, that the assessment roll is in his or her hands for collection, and if not then paid, such assessments may, at the option of the several property owners, be paid in 20 equal annual installments; that the first of such installments be due one year after the expiration of the aforesaid 30-day period, and subsequent installments

shall be due annually after such date; that the sum remaining unpaid at the expiration of such 30-day period shall bear interest at the rate 4.0 percent per annum, and interest on the unpaid amount shall be due on the due date of the first installment of principal and each year thereafter on the due date of each installment of principal; that assessments or installments thereof, when delinquent, in addition to such interest, shall bear a penalty in the amount of 12 percent per annum on the outstanding delinquent balance; and that the owner of any lot, tract or parcel of land or other property charged with any such assessment may redeem it from all liability for the unpaid amount of the assessment, at any time after the 30-day period allowed for payment of the assessment without penalty or interest, by paying the entire unpaid amount of the assessment to the Snohomish County Treasurer, with interest thereon to the date of maturity of the installment next falling due.

Section 7. The cost of the plan described in Section 1 hereof shall be met and defrayed from the District's Water Utility General fund and the proceeds of assessments levied and assessed against all property within the local utility district created by Section 2 hereof, legally and properly assessable therefore and specially benefited by said improvement, as provided by the laws of the State of Washington and the resolutions of the District. The entire principal of and interest on such assessments, as well as penalties for late payment, shall be paid into a local improvement fund which is hereby created and established in the office of the Snohomish County Treasurer to be known as "Utility Local Improvement District No. 65, (Water Distribution System) – Non-Contiguous" and shall be used for the sole purpose of paying the cost of the plan described in Section 1, and/or paying principal of and interest on District warrants and/or notes, inter-fund loans or bonds issued in payment of the cost and expense of such improvements; and the Snohomish County Treasurer is hereby authorized and

directed to remit to the District, on or prior to the tenth day of the month following receipt thereof, for use for such purposes, any and all monies received by the Treasurer from time to time in said fund.

Section 8. The Secretary of the Board of Commissioners of the District is hereby authorized and directed to certify unto the Snohomish County Treasurer and any and all public authorities or others interested in LUD No. 65 or properties contained therein as to the giving of all notices, the manner and form of all resolutions or proceedings and any other information or material which may be necessary or appropriate with respect thereto.

PASSED AND APPROVED this 20th day of December, 2022.

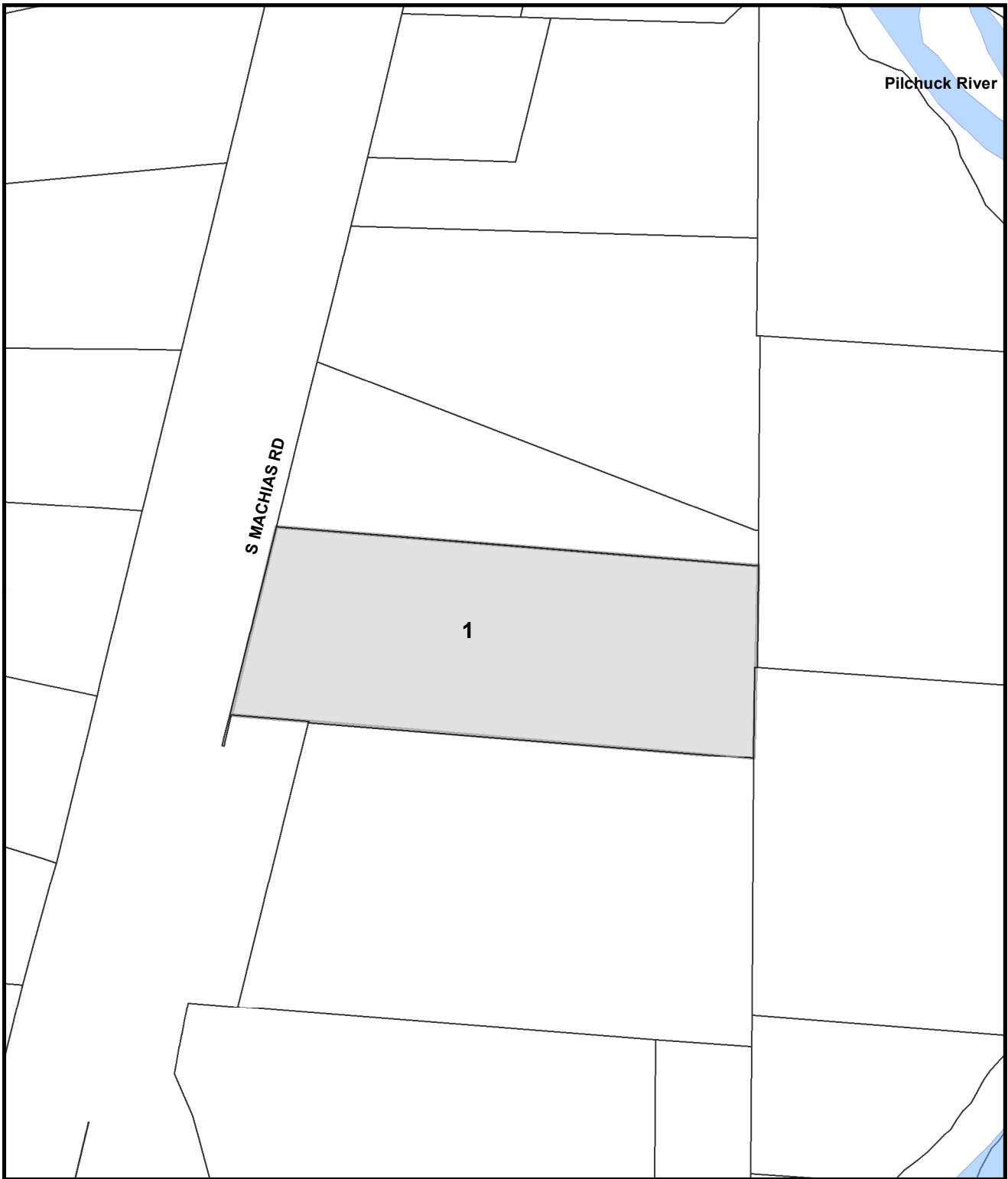
President

Vice-President

Secretary

**Final Assessment Roll for Lots Within Boundaries of 2022 Non-Contiguous LUD 65
of Public Utility District No. 1 of Snohomish County, Washington**

<u>Tax Account No.</u>	<u>Legal Description</u>	<u>Recorded Owner & Mailing Address</u>	<u>Assessment</u>
290616-004-015-00	Section 16 Township 29 Range 06 Quarter SE - N 200FT OF S 795FT OF TH PART SW1/4 SE1/4 E OF NP RY LESS CO RD TGW FDP FOR TAX PURPOSES ONLY: TH PTN N1/2 SE1/4 SE1/4 SD SEC 16 EXC CO RD & EXC N1/2PTN LY W OF PILCHUCK RIV BEING MORE PARTICULARLY DAF: BEG AT MOST SWLY COR ABV DESC PAR ALSO BEING SW COR NW1/4 SE1/4 SE1/4 TH N01*12 24W ALG W LN SD PAR DIST 104.43FT TH N88*47 36E DIST 3.50FT TO ELN OF W 3.50FT SD PAR TH S01*12 24E ALG SD E LN DIST 104.65FT TO S LN SD PAR TH N87*38 23W ALG SD LN DIST 3.51FT TO POB PER QCD'S REC AFN 200810070178 & 200909240407	Michael Downing 131 S Machias Rd Snohomish, WA 98290	\$ 9,790.00
300603-002-020-00	SEC 03 TWP 30 RGE 06PTN GOVT LOT 5 3-30-6 & PTN SE1/4 NE1/4 4-30-6 BEING LOT 8 OF LTS 25 (6-80) REC AF NO 8204285010 VOL 15 OF SURV PGS 249-251	Tabatha McDougall 14727 136th St NE Arlington, WA 98223	\$12,825.00
300610-002-003-00	Section 10 Township 30 Range 06 Quarter NE - TH PTN NE1/4 NW1/4 DAF: COM NE COR SD SUB; TH N88*53 37W ALG N LN THOF 15.05FT TO WLY R/W 155TH AVE NE, TPB; TH CONT N88*53 37W ALG SD N LN 456.71FT; TH S28*09 59E 65.00FT; TH S47*24 41W 286.32FT; TH S26*24 25E 417.27FT TO INT A STRT LN BTW SW COR & NE COR SD SUB; TH N37*08 01E ALG SD LN 613.81FT; TH S88*53 37E PLW N LN SD SUB FOR 88.94FT TO WLYR/W OF 155TH AVE NE; TH N03*42 02W ALG SD R/W 128.62FT TO TPB; EXC ANY PTN THOF LY WHN R/W - AKA PAR 1 OF SNO CO BLA 00-109033 REC AFN 200102270505	Justin & Kerri Mullene 12330 155th Ave NE Arlington, WA 98223	\$9,790.00
TOTAL			\$ 32,405.00



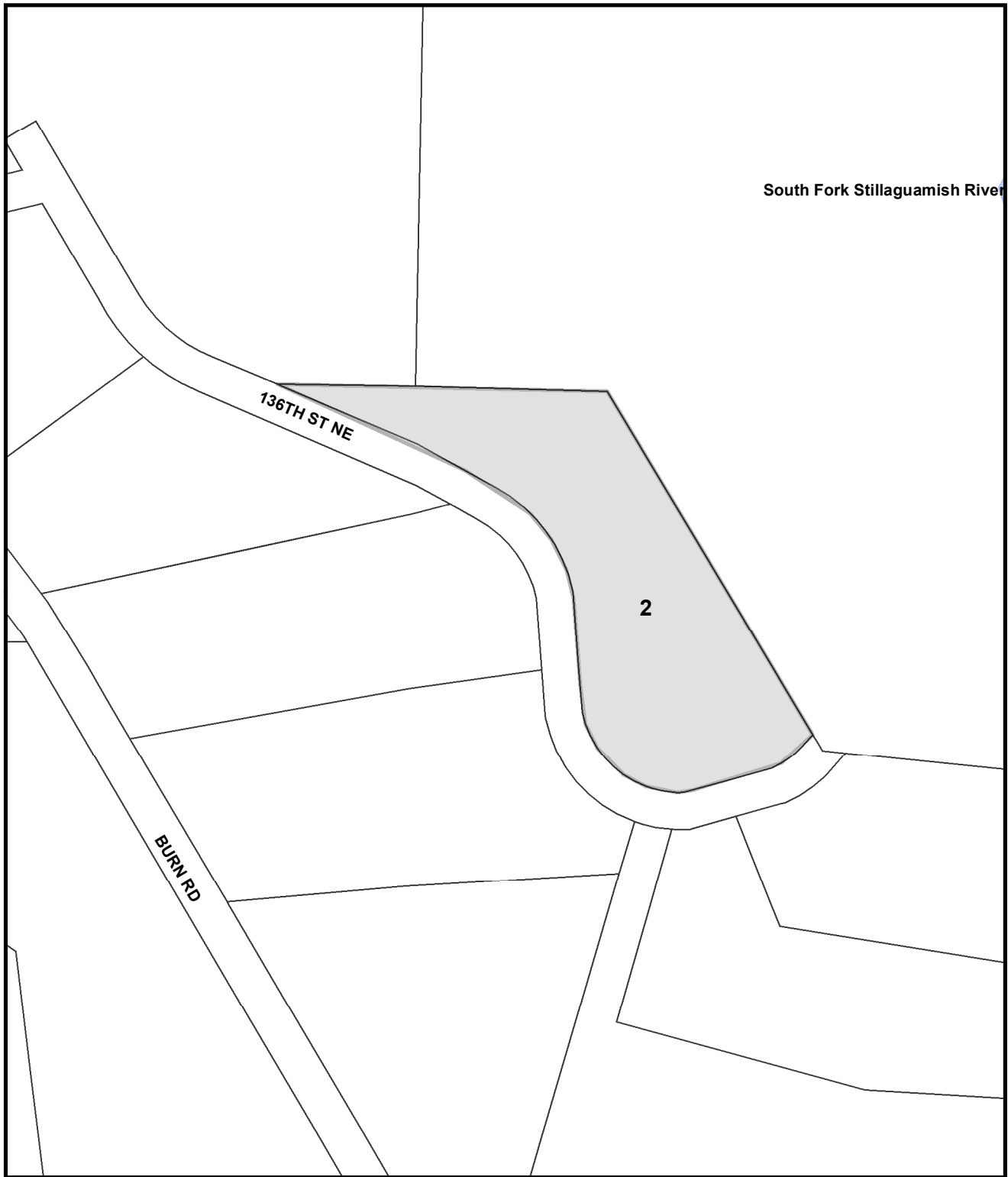
Snohomish County PUD
Water Resources

**NON-CONTIGUOUS
LUD NO. 65**

TAX ACCOUNT #:

290616-004-015-00

ATTACHMENT 1 TO EXHIBIT "A" FINAL ASSESSMENT ROLL



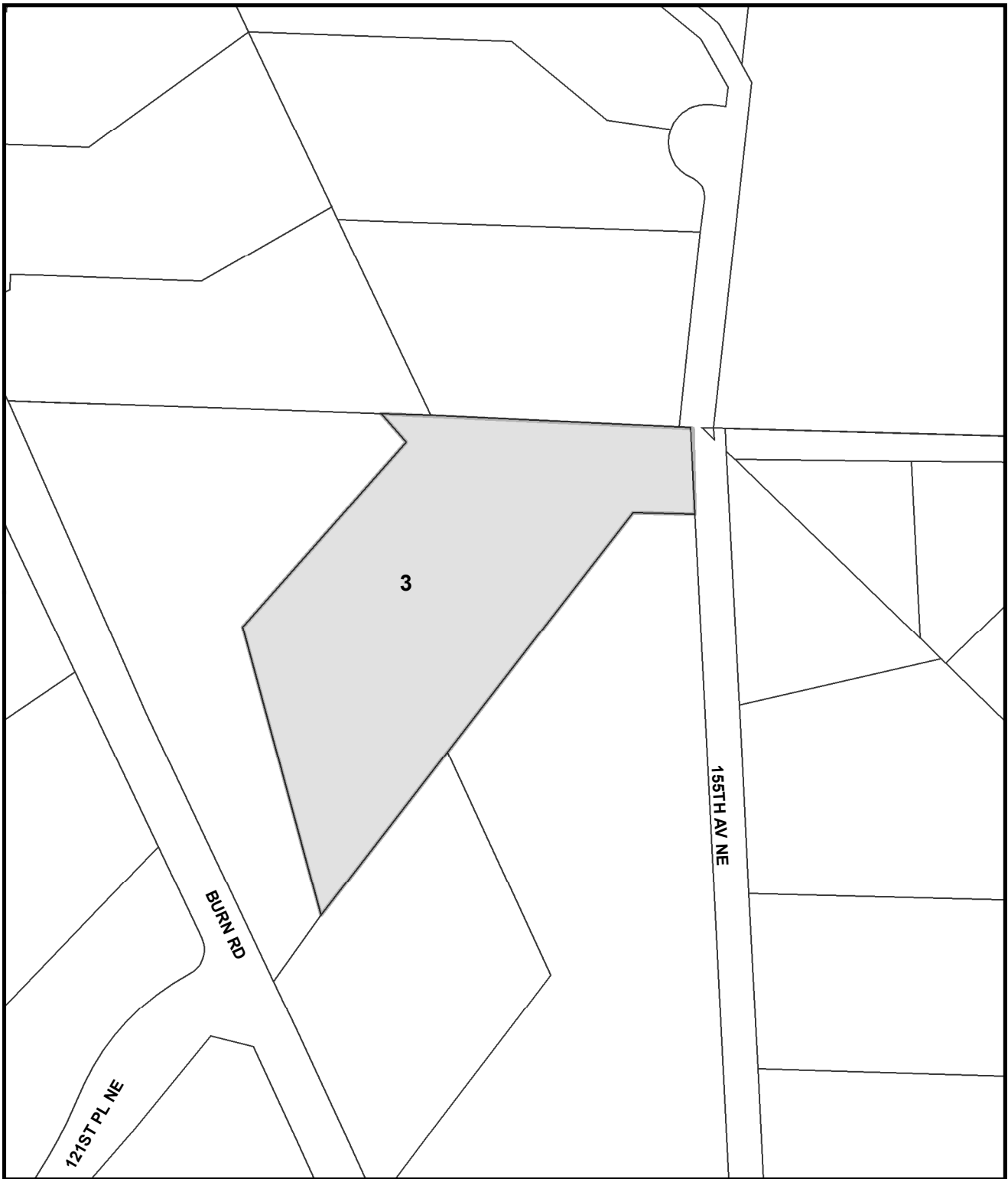
Snohomish County PUD
Water Resources

**NON-CONTIGUOUS
LUD NO. 65**

TAX ACCOUNT #:

300603-002-020-00

ATTACHMENT 2 TO EXHIBIT "A" FINAL ASSESSMENT ROLL



Snohomish County PUD
Water Resources

**NON-CONTIGUOUS
LUD NO. 65**

TAX ACCOUNT #:

300610-002-003-00

ATTACHMENT 3 TO EXHIBIT "A" FINAL ASSESSMENT ROLL

EXHIBIT B

PUBLIC UTILITY DISTRICT NO. 1 OF SNOHOMISH COUNTY

WATER UTILITY

**NON-CONTIGUOUS
WATER LUD NO. 65**

FEASIBILITY STUDY REPORT

November, 2022

Feasibility Study
Non-Contiguous LUD No. 65
November 2022

1. INTRODUCTION AND BACKGROUND

The properties included in Local Utility District (LUD) No. 65 are located in unincorporated Snohomish County in the Snohomish and Arlington areas. The properties are attached to the District's main on S Machias Road, 136th Street NE and 155th Avenue NE (See attached maps of property locations).

Research by the District's Office of General Counsel determined that an LUD was the only mechanism through which the District could offer financing for attachment to District water service, and that an LUD need not include contiguous parcels. Thus, the concept of a Non-Contiguous LUD was developed to allow voluntary participation by property owners wishing to take permanent service from an existing District water supply main.

Participants have been provided with a Water Connection Contract (See Attachment 2). The Water Connection Contract is written such that the property owner's signature qualifies as a signed LUD petition. Since only those requesting financing for water service have signed Contracts, the LUD has 100 percent property owner support.

2. COST

The cost per customer varies depending upon which main the service is connecting to.

The following fees for connection are charged at the 2022 rates:

There are two properties connecting to the distribution main; one each on S Machias Road and 155th Avenue NE. The connection fees total \$9,790 for each property and consist of a General Facilities Charge (GFC) of \$3,645, a Distribution System Charge (DSC) of \$4,210, a Service Connection Charge (SCC) of \$1,355 (for a ¾" meter), a Snohomish County Right-of-way permit costing \$100, a pressure reducing valve costing \$280, and a LUD Administrative fee of \$200.

There is one property connecting to the distribution main on 136th Street NE. The connection fees total \$12,825 for the property and consist of a General Facilities Charge (GFC) of \$3,645, a Distribution System Charge (DSC) of \$4,210, a Service Connection Charge (SCC) of \$1,520 (for a 1" meter), a Snohomish County Right-of-way permit costing \$100, an Interim Connection Agreement (ICA) costing \$3,150, and a LUD Administrative fee of \$200.

The GFC represents a pro-rata share of the cost of funding transmission, storage and water source improvements, which are required to serve the LUD properties. The DSC is based on the average cost per lot for new distribution systems installed in the District's rural service area (this amount will vary based on when the District-installed water main extension was completed or if the property was located in an area where another LUD-financed main was installed). The SCC is the average cost of installation of a meter and a service line from the main to the property line. The LUD administrative fee provides

Feasibility Study
 Non-Contiguous LUD No. 65
 November 2022

recovery of costs associated with administering the LUD, including formation costs and annual fees charged by the Snohomish County Treasurer's Office.

No. of Properties	Connection Fee	Assessment
2	2022 Standard SF Connection Fee w/ 3/4" Meter and PRV	\$19,580.00
1	2022 Standard SF Connection Fee w/ 1" Meter and ICA	\$12,825.00
3 TOTAL		\$32,405.00

2022 Standard SF Connection Fee w/ 3/4" Meter and PRV

General Facilities Charge	\$ 3,645.00
Distribution System Charge	\$ 4,210.00
Service Connection Charge (1")	\$ 1,355.00
County Right-of-Way Permit	\$ 100.00
Pressure Reducing Valve	\$ 280.00
LUD Administrative Fee	\$ 200.00
	<u>\$ 9,790.00</u>

2022 Standard SF Connection Fee w/1" Meter and ICA

General Facilities Charge	\$ 3,645.00
Distribution System Charge	\$ 4,210.00
Service Connection Charge (1")	\$ 1,520.00
County Right-of-Way Permit	\$ 100.00
Interim Connection Agreement	\$ 3,150.00
LUD Administrative Fee	\$ 200.00
	<u>\$12,825.00</u>

3. FINANCING

Bonds will not be sold for this LUD since the District incurs no substantial costs in providing the new customer service attachments to existing facilities. Once the final assessment roll has been approved, the Snohomish County Treasurer will be notified, and the Treasurer will in turn notify the property owners. Following a 30-day opportunity to pay the assessment off in-full with no interest or penalty, the first annual installment would be due 12 months following that notice. The interest rate charged to the property owners would be established by the District at the public hearing on the final assessment roll. An interest rate of approximately 4.0 percent is anticipated. As the Treasurer collects assessment payments, the proceeds are forwarded to the District.

Since the assessment will be secured by a senior lien on the property, in second position behind general property taxes, the District may foreclose on a parcel if the assessment is not paid. For all parcels included in the LUD, the value of the property exceeds by several

Feasibility Study
Non-Contiguous LUD No. 65
November 2022

times the amount of the assessment. Further, District policy provides for disconnection of water service in the event of default, hence the District is well protected from possible non-payment.

4. ECONOMIC FEASIBILITY

For an LUD to be economically feasible, the assessed parcel's value must be increased by at least as much as the amount of the assessment. By signing the Connection Contract, all owners stipulate and agree that the benefits to their property exceed the estimated cost of the assessment. Further, all property owners applying for a District water connection via the non-contiguous local utility district method agree that the benefits to their property will be greater than the estimated cost of the improvements. Property owners also acknowledge and agree that water service options other than direct connection to the District's system are more expensive and provide less benefit than a direct connection to the District's water system.

5. PRELIMINARY ASSESSMENT ROLL

The preliminary assessment is attached as Exhibit "A".

6. RATES

All customers in this LUD will pay the District's standard single-family water rate. Rates currently in effect for a single-family residential water service include a \$23.33 minimum monthly charge and \$3.57 per 100 cubic feet (748 gallons) of water usage. An average single-family household using 700 cubic feet per month would see a monthly bill of \$48.32 per month, or \$579.84 per year.

7. SUMMARY AND RECOMMENDATION

The proposed LUD is financially, economically and technically feasible. The District will not issue bonds for the LUD, and will collect assessment payments over the projected 20-year life of the LUD. It is recommended that the LUD be formed and the properties assessed as outlined in the Feasibility Report.



BUSINESS OF THE COMMISSION

Meeting Date: December 20, 2022

Agenda Item: 5C

TITLE

Consideration of a Resolution Amending the District’s “Pilot Small Distributed Generation Rate Schedule”

SUBMITTED FOR: Public Hearing and Action

Rates, Economics & Energy Risk Mgmt	<u>Brian Booth</u>	<u>8286</u>
<i>Department</i>	<i>Contact</i>	<i>Extension</i>
Date of Previous Briefing:	<u>December 6, 2022</u>	
Estimated Expenditure:	<u>\$30,000+</u>	Presentation Planned <input type="checkbox"/>

ACTION REQUIRED:

- Decision Preparation
- Policy Discussion
- Policy Decision
- Statutory
- Incidental (Information)
- Monitoring Report

SUMMARY STATEMENT:

Identify the relevant Board policies and impacts:

Governance Process, Board Job Description GP-3(4)(C)(1), a non-delegable, statutorily-assigned Board duty: Rates/Fees. Establish and maintain rates and charges for electric energy and water and various other services, facilities and commodities sold, furnished or supplied by the District.

Pursuant to Chapter 80.60 RCW and adopted Rate Schedule 200, Public Utility District No. 1 of Snohomish County (the District) offers net metering to those of its customers who operate distributed generation facilities of 100 kilowatts or less on premises that they own or lease.

For distributed generation facilities larger than 100 kW and smaller than 2 MW, the District offers standardized Power Purchase Agreements (PPAs) through which the District purchases 100% of the facility’s output.

First enacted in 2019, this pilot rate schedule is intended to provide non-profit charitable organizations whose small generation facilities do not qualify for Net Metering with the opportunity to consume their own electricity. Since its enactment, two customers whose primary purpose is to provide charitable aid to the community have enrolled in this pilot rate schedule.

The amended rate schedule expands the types of organizations that are eligible to participate, so the pilot is no longer limited to charitable 501(c)3 and governmental organizations, to accept new customer generation on an “as available” basis within the limits of the District’s capabilities until permanent systems and pricing methodologies can be developed for 2024 and beyond. It is the intention of the District to further study, understand, and quantify the impacts of behind-the-meter customer generation to both the electrical grid and the District’s financial health so that future billing and metering arrangements for customer-generators may better serve all of its customers.

List Attachments:

Resolution

Exhibit A – Redlined Rate Schedule

Presentation – Presented December 6, 2022

RESOLUTION NO. _____

A RESOLUTION Amending the District's "Pilot Small Distributed Generation Rate Schedule"

WHEREAS, Public Utility District No. 1 of Snohomish County ("the District") operates a number of programs through which the District purchases electricity from customer-generators located in its service territory; and

WHEREAS, the District currently offers three standard programs and one pilot program: Net Metering and Schedule 90 fixed-pricing for renewable generation and cogeneration with nameplate capacities up to 100 kW; a Small Renewables Program that provides standardized Power Purchase Agreements (PPAs) for facilities larger than 100 kW and up to 2 MW; and the Pilot Small Distributed Generation Rate Schedule; and

WHEREAS, in addition to the standardized programs, the District has historically entered into PPAs with customer-generators larger than 2 MW; and

WHEREAS, the Pilot Small Distributed Generation Rate Schedule ("the Pilot") was created in response to a number of non-profit charitable organizations that expressed interest in being able to consume their own generation on-site rather than enter into traditional PPAs in support of their goals of being "net zero" energy consumers, two of whom have since enrolled in the Pilot; and

WHEREAS, participating customers have invested in wiring and metering designs that are compatible with the Pilot; and

WHEREAS, the District wishes to extend the Pilot through 2023 and expand the types of customers eligible to participate in the Pilot so as to further meet customers' needs and allow the District to further study and refine pricing mechanisms for power that flows to the District from participating customers for 2024 and beyond.

NOW, THEREFORE, BE IT RESOLVED that the Commission of Public Utility District No. 1 of Snohomish County, Washington, hereby adopts the amended Pilot Small Distributed Generation Rate Schedule in the form attached hereto and incorporated by this reference, effective on January 1, 2023.

PASSED AND APPROVED this 20th day of December 2022

President

Vice-President

Secretary

PILOT SMALL DISTRIBUTED GENERATION RATE SCHEDULE

~~(1) PURPOSE: Snohomish Public Utility District and its customers wish to explore alternative billing and metering solutions for supporting Small Distributed Generation within its service territory. This pilot rate schedule is intended to provide customers whose small generation facilities do not qualify for Net Metering with the opportunity to consume their own electricity on-site and to allow the District to study the net consumption patterns of these customer-generators. It is the intention of the District to use this information to better understand and quantify the impacts of customer generation to both the electrical grid and the District's financial health so that future billing and metering arrangements for customer-generators may better serve all of its customers.~~

(12) APPLICABILITY: This rate schedule shall apply to other District rate schedules as described below.

(23) DEFINITIONS:

- a. "Cogeneration Facility" means a facility that provides or is capable of providing from a common fuel source both (i) thermal energy that is made available for processes and applications other than electrical generation and (ii) electric energy. To qualify under this pilot rate schedule, the Cogeneration Facility must meet the standards for "new qualifying facilities" established under 16 U.S.C. § 824a-3(n) and 18 C.F.R. § 292.205.
- b. "Small Distributed Generation" means a fuel cell, a Cogeneration Facility, or a facility that produces electric energy using water, wind, solar energy, biomass, biogas, or other generally accepted renewable resource if the facility:
 - o Has a nameplate capacity of less than two hundred (200) kilowatts. The nameplate capacity of adjacent, electrically separate facilities using a like fuel type that are owned or operated by a common customer-generator, regardless of artificial segmentation, shall be measured in aggregate;
 - o Is located on property or lands owned or leased by the customer-generator;
 - o Operates in synchronization with the District's electric distribution system; and
 - o Is connected on the customer's side of the meter and is intended primarily to offset part or all of the customer-generator's requirements for electricity

(34) AVAILABILITY: This ~~pilot~~ rate schedule is available to customers ~~(i) who have Small Distributed Generation that is energized on or between March 1, 2019 and December 31, 2022 and that~~ (i) whose generation qualifies as a "Cogeneration Facility" or "Small Distributed Generation" as defined in Section 2 and can be interconnected to the District's electric system without exceeding the limitations ~~on the number of customer-owned generators that may be interconnected to of~~ the relevant distribution feeder line, circuit, or network as may be established by the District to protect public safety and system reliability, (ii) who purchase electric power from the District under the provisions of another District rate schedule, (iii) who sign an agreement with the District allowing them to interconnect to and operate in synchronization with the District electric distribution system, ~~and (iv) are governmental entities, federally recognized tribal governments, housing authorities, or 501(c)(3) organizations whose primary purpose is to provide charitable aid. The District may, at its sole discretion, pause access to this rate schedule as may be required by the constraints of the District's~~

~~systems and staff. Availability is limited on a first come, first served basis until such time as the cumulative nameplate capacity of Small Distributed Generation participating in the rate schedule exceeds 1 megawatt.~~

(45) BILLING ADJUSTMENT: The customer shall pay for all electric energy that physically flows from the District to the customer in any billing period. ~~Except as set forth in Section 6 below, the price for electric energy provided to the customer under this rate schedule shall be the price charged for such electric energy by the District under the provisions of the rate schedule under which the customer receives service, as such rate schedule may be revised from time to time by the District’s Board of Commissioners. A customer that receives service under the Pilot Small Distributed Generation Rate Schedule shall be billed on the schedule applicable to customers in the same class and geographic area as that customer and shall be subject to the payment terms specified in the District’s Customer Service Regulations. The Any Minimum Charge described in the rate schedule under which the customer receives service shall apply to the consumptive portion of the bill including the above listed charges. Generation credits shall be applied thereafter.~~

~~The customer shall receive a credit for all electric energy that flows from the customer to the District during a billing period at the price specified in Section 6.~~

(56) RATE:

~~In lieu of the daily Base Charge described in the applicable rate schedule under which the customer receives service, the customer shall pay a Base Charge of:~~

~~\$1.37 per day per meter or billing installation that is subject to this rate schedule~~

~~The Minimum Charge described in the rate schedule under which the customer receives service shall apply to the consumptive portion of the bill including the above listed charges. Generation credits shall be applied thereafter.~~

The customer shall receive monetary bill credits for all electric energy that physically flows to the District from the customer during the billing periods denoted in the below table. ~~For facilities energized on or between March 1, 2019 and December 31, 2022, s~~Such credits shall be paid in cents per kWh at the following rates:

For Solar Generation:

Bill Year	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
2019			2.81	2.71	1.70	1.75	5.95	6.51	3.53	3.33	5.51	5.88
2020	6.34	6.72	2.81	2.71	1.70	1.75	5.95	6.51	3.53	3.33	5.51	5.88
2021	6.34	6.72	2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95	2.95
2022	5.70	5.70	2.95	1.34	1.34	1.34	5.21	5.21	2.95	2.95	5.70	5.70
2023	8.14	8.14	8.14	5.68	5.68	15.05	15.05	15.05	15.05	5.68	8.14	8.14

For Other Eligible Generation:

Pricing may be calculated based on the specific attributes of the resource, net of customer consumption, upon request.

Effective Date: ~~March 23~~ January 1, 2023

Version History: ~~[Res. No. XXXX (2022) ;History: XXXX]~~

Pilot Small Distributed Generation Rate Schedule

Presented on December 6, 2022

Brian Booth – Senior Manager of Rates, Economics, & Energy Risk Management

Peter Dauenhauer – Principal Utility Economist

Prior Presentation: March 9, 2021

Agenda and Purpose

- ❑ Background
- ❑ Pilot Goals and Mechanics
- ❑ State of the Pilot
- ❑ Seeking Approval to:
 - ❑ Extend pilot by additional year
 - ❑ Update pricing
 - ❑ Open pilot to general customers



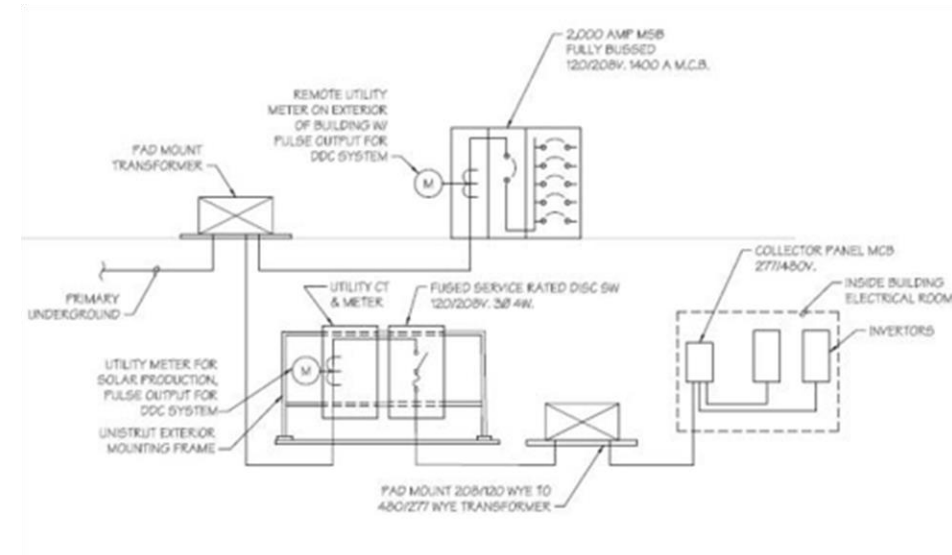
Background

❑ District's Small Renewables Program

- ❑ Applies to parallel Distributed Generation (DG) >100 KW and <2 MW
- ❑ Power Purchased Agreement (PPA), renewed every 1-5 years
 - ❑ All customer produced kWh are purchased by PUD via PPA
 - ❑ Manual agreement and payment processes
- ❑ All incoming power charged standard PUD Rate
 - ❑ Customer DG system is electrically separated from DG customer load

❑ Pilot Small Distributed Generation Rate Schedule

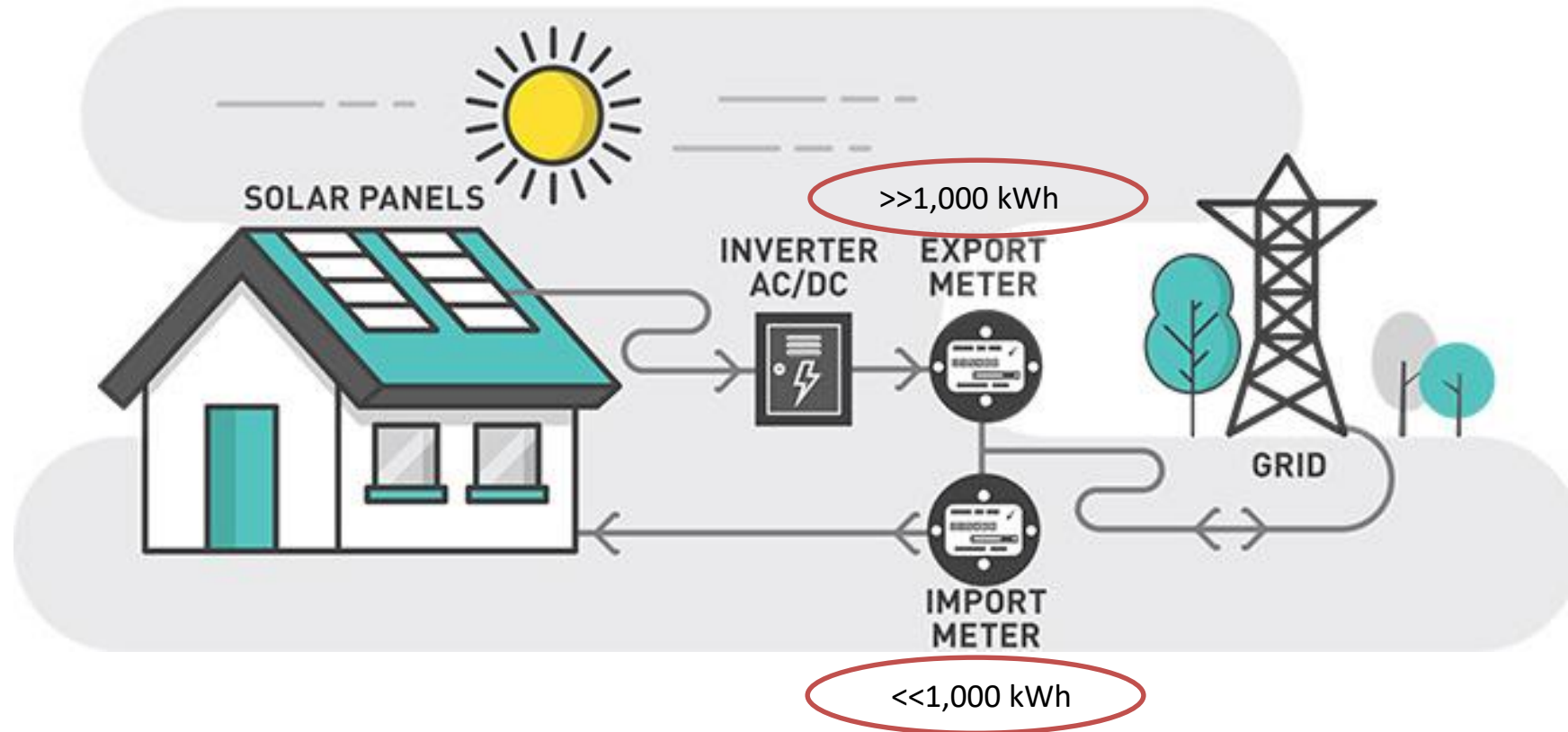
- ❑ Adopted March 19, 2019
 - ❑ Limited availability
 - ❑ Set pricing for all customer generation that flows to the District
 - ❑ Electrically connected to customer load behind the meter
- ❑ March 9, 2021: Pilot extended through the end of 2022



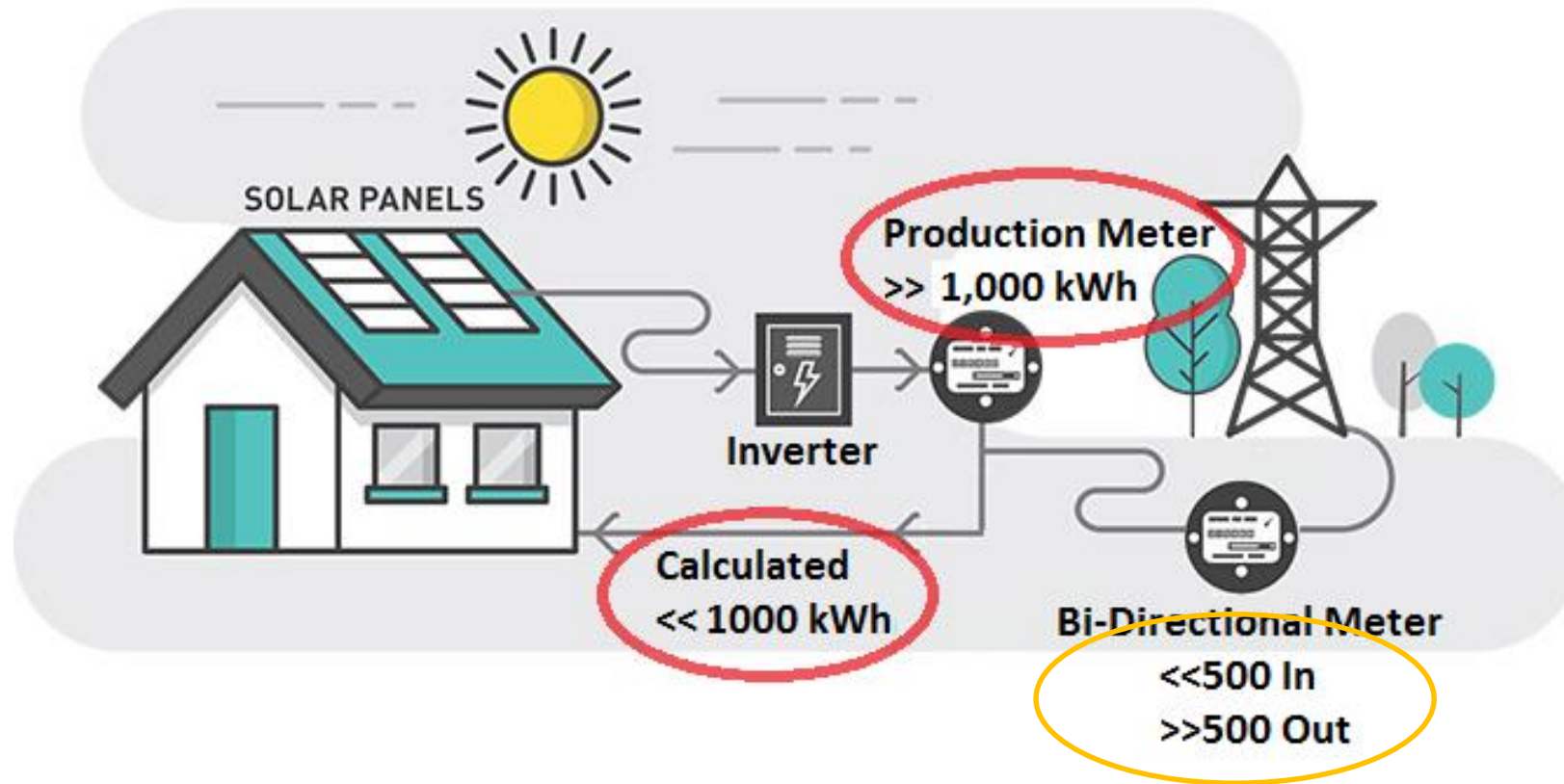
Pilot Goals

- ❑ Addresses solar customers' (>100 KW) desires to net their consumption with their generation
- ❑ Helps the District remain financially balanced
- ❑ Tests a net billing model in limited, not-for-profit market
- ❑ Enhances District's forward-looking community-based solutions
 - ❑ Research of mid-sized Distributed Generation (DG) solutions; data collection, analysis
 - ❑ Simplify District's interconnection process and design for DG >100 kW and <200 kW
 - ❑ Enhance low-income community support

Small Renewables Program Metering Layout



Net Billing Construct



Current Participants

❑ HopeWorks Station LLC / Hope Works

- ❑ 65-unit low-income apartments, plus commercial spaces
- ❑ Net zero goal, tied to State funding for project
- ❑ 193 KW solar photovoltaic (PV)
- ❑ A&R Solar installer
- ❑ Desire to consume kWh generated on site



❑ Berkshire Housing LLC. / Catholic Housing Services

- ❑ 65-unit low-barrier apartments, common areas
- ❑ Everett Safe Streets
- ❑ Net zero goal, tied to State funding for project
- ❑ 199 KW solar PV
- ❑ A&R Solar installer
- ❑ Desire to consume kWh generated on site



State of the Pilot

- ❑ HopeWorks Station began generating in August 2019 and opened its doors to residents in October 2019. Solar PV generation remains a key asset, offsetting building operations costs.
- ❑ Berkshire/Catholic Housing/Clare's Place opened their doors in August 2019 and began generating in May 2020 (delayed by mid-project system design change). Like HopeWorks, the PV helps offset operational costs, greatly adding to ongoing affordability for the not-for-profit owner and residents.
- ❑ Who else might want to participate?
 - ❑ Housing Authorities
 - ❑ Local/Tribal governments
 - ❑ Schools
 - ❑ Mid-to-large sized businesses

Rate Making Notes

Forecasted Energy Market

- Heavy Load / Light Load for Net Generation Shape
- Adjusted to Hourly Market Prices vs. Monthly Market

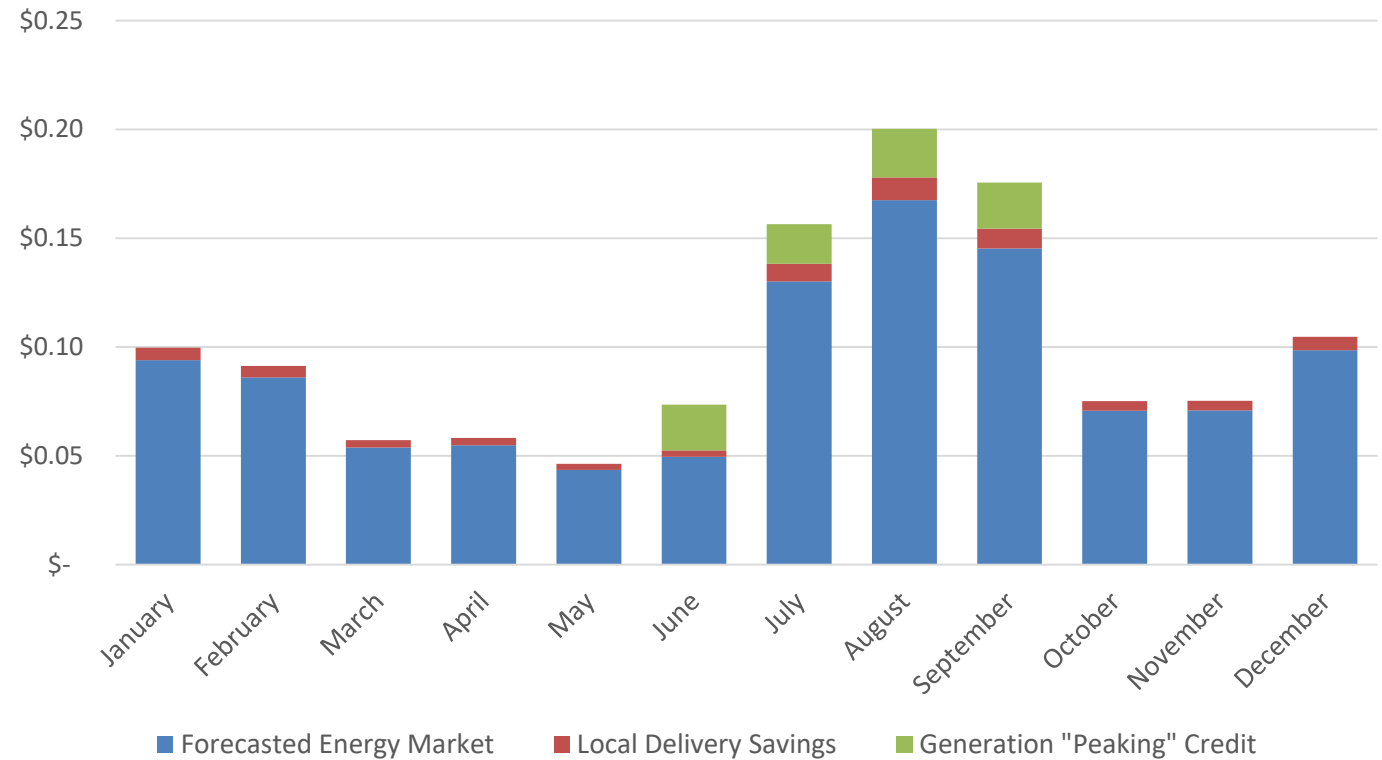
Local Delivery Savings

- 2.05% Transmission Losses
- 4.15% Distribution Losses

Generation "On-Peak" Credit

- Based on Integrated Resource Plan
- \$163K / MW-Year, November-February, July-August
- Strong contribution to June 2021 peak Summer day
- No contribution to December 2021 peak Winter day

Local Solar Pricing Components for 2023
Centers Per kWh



Next Steps

- ❑ Return on December 20, 2022, for rates hearing
 - ❑ Extend the pilot rate schedule through 2023
 - ❑ Open the pilot up to a limited number of currently-ineligible additional customers
- ❑ If approved, develop a long-term pricing strategy for commission consideration in late 2023
 - ❑ Explore long-term market-based rates, avoided-cost methods, and more!
 - ❑ Stakeholder outreach
- ❑ Special thanks to Doug O'Donnell!
- ❑ Any questions?



BUSINESS OF THE COMMISSION

Meeting Date: December 20, 2022

Agenda Item: 5D

TITLE

Consideration of a Resolution Declaring Certain Property Interests Over a Portion of Certain District Property (Tax Parcel Nos. 27102900100200, 27102900101300, 27102900100900) to be Surplus and Authorizing the Granting of an Access and Use Easement in Favor of Mt. Index River Sites Community Club, Inc.

SUBMITTED FOR: Individual Consideration

Real Estate Services Maureen Barnes 4373
Department *Contact* *Extension*
Date of Previous Briefing: 12/06/2022
Estimated Expenditure: _____ Presentation Planned

ACTION REQUIRED:

- Decision Preparation Incidental Monitoring Report
 Policy Discussion (Information)
 Policy Decision
 Statutory

SUMMARY STATEMENT:

Identify the relevant Board policies and impacts:

Governance Process, Board Job Description, GP-3(4)(F)(1) a non-delegable statutorily assigned Board Duty to authorize acquisition . . . and the disposition of certain properties and payment therefore.

Mt. Index River Sites Community Club, Inc. ("MIRCC") represents owners of the Mt. Index River Sites development in Snohomish County, Washington. MIRCC is responsible for the maintenance and improvements of private roads providing access to parcels within Mt. Index River Sites development and the closest public highway, Washington State Highway No. 2 ("SR 2").

A landslide in early 2014 resulted in a number of parcels, including some parcels owned by the District, within the Mt. Index River Sites development being cut off from access for ingress and egress to the SR 2.

On May 6, 2014, the Commission passed a resolution authorizing the District to enter into a Cost Sharing Agreement (“Agreement”) regarding the funding and construction of a bridge across the South Fork of the Skykomish River ways to an existing private road (“Access Corridor”) connecting to SR 2. As part of the consideration for the District’s financial contribution for the bridge construction, MIRCC agreed to grant an easement to the District to use all of the roads and properties owned or controlled by MIRCC for District purposes. As part of the consideration for MIRCC granting said easement, the District agreed that in the event it obtained easements providing access on the Road from the bridge to State Highway 2 (“SR 2”), it would try to ensure that such easements similarly benefited MIRCC.

The District purchased a number of properties along the Access Corridor from the bridge to SR 2, including Tax Parcel Nos. 27102900100200, 27102900101300, 27102900100900. Consistent with the intent and terms of the Agreement, District staff recommend that the Commission recognize certain property interests in the Access Corridor to be surplus and authorize the granting of an Access and Use Easement (Attachment No. 1) in favor of MIRCC.

List Attachments:

- Resolution
- Attachment 1

RESOLUTION NO. _____

A RESOLUTION Declaring Certain Property Interests Over a portion of Certain District Property (Tax Parcel Nos. 27102900100200, 27102900101300, 27102900100900) to be Surplus and Authorizing the Granting of an Access and Use Easement in Favor of Mt. Index River Sites Community Club, Inc.

WHEREAS, Mt. Index River Sites Community Club, Inc. (“MIRCC”) represents owners of the Mt. Index River Sites development in Snohomish County, Washington; and

WHEREAS, MIRCC is responsible for the maintenance and improvements of private roads providing access to parcels within Mt. Index River Sites development and the closest public highway, Washington State Highway No. 2 (“SR 2”); and

WHEREAS, a landslide in early 2014 resulted in a number of parcels, including some owned by the District, within the Mt. Index River Sites development being cut off from access for ingress and egress to the SR 2; and

WHEREAS, on June 10, 2014, the District and MIRCC entered into a Cost Sharing Agreement (“Agreement”) regarding the funding and construction of a bridge across the South Fork of the Skykomish River ways to an existing private road (“Access Corridor”) connecting to SR 2; and

WHEREAS, as part of the consideration for the District’s financial contribution for the bridge construction, MIRCC agreed to grant an easement to the District to use all of the roads and properties owned or controlled by MIRCC for District purposes; and

WHEREAS, as part of the consideration for MIRCC granting the easement referenced in the preceding recital, the District agreed that in the event it obtained easements providing access on the Road from the bridge to State Highway 2 (“SR 2”), it would try to ensure that such easements similarly benefited MIRCC; and

WHEREAS, the District purchased a number of properties along the Access Corridor from the bridge to SR 2, including Tax Parcel Nos. 27102900100200, 27102900101300, 27102900100900; and

WHEREAS, consistent with the intent and terms of the Agreement, District staff recommend that the Commission recognize certain property interests in the Access Corridor to be surplus and authorize the granting of an Access and Use Easement (Attachment No. 1) in favor of MIRCC; and

WHEREAS, based upon the information and recommendation of District staff, the Commission of Public Utility District No.1 of Snohomish County finds that the District's property interests represented by the proposed Access and Use Easement:

1. Are no longer necessary, material to, and useful in the District's operations;
2. Are not required for continued public utility service; and
3. Be transferred to Mt. Index River Sites Community Club, Inc.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No.1 of Snohomish County that:

1. The District's property interests represented by the Access and Use Easement (Attachment No. 1) are surplus to the District's needs; and

2. The Manager of the District's Real Estate Services, or her designee, is authorized on behalf of the District to grant the Access and Use Easement in favor of MIRCC in substantially the form attached hereto as Attachment No. 1; provide that the final form of the Access and Use Easement shall be subject to the review and approval of the District's General Counsel or her designee.

PASSED AND APPROVED this 20th day of December, 2022.

President

Vice-President

Secretary

AFTER RECORDING, PLEASE RETURN TO:

Public Utility District No. 1 of Snohomish County
Attn: Maureen Barnes
Manager, Real Estate Services
P.O. Box 1107
Everett, Washington 98206-1107

E A S E M E N T

THIS EASEMENT AGREEMENT (“Easement Agreement”) is made this ____ day of _____, 2022, between Public Utility District No. 1 of Snohomish County, Washington, a municipal corporation under the laws of the State of Washington, ("District") and the Mt. Index River Sites Community Club, Inc., a Washington nonprofit corporation ("Grantee"). District and Grantee are sometimes referred to individually herein as “Party” and collectively as “Parties”.

WHEREAS, District is the owner of certain lands and premises situated in the County of Snohomish, State of Washington, and legally described on Exhibit "A" attached hereto and incorporated herein by this reference (“Property” or “District’s Property”).

WHEREAS, the Grantee is desirous of acquiring certain rights and privileges across, over, and upon the Property.

NOW, THEREFORE, the Parties agree as follows:

1. Access and Use Easement. In consideration of mutual benefits to be derived and in consideration of the performance of the covenants, terms and conditions hereinafter set forth and to the extent District may legally do so, District hereby grants and conveys to the Grantee a nonexclusive access and use easement, across, along, in, upon the existing road and bridge facilities, in their present alignment, (“Road”) on District’s Property for the perpetual right, privilege, and authority to access and use the Road for Grantee purposes, including but not limited to Grantee traffic and commercial traffic to Grantee lots. This access and use rights granted under this Easement Agreement does not include public recreational access and use rights.

2. Permits. To the extent it may legally do so, District hereby grants permission and authorizes the Grantee to apply with Local, Tribal, State and Federal agencies for any and all permits necessary for the Grantee to access and use the Road in accordance with this Easement Agreement.

3. Noninterference. Grantee shall at all times conduct its access and use of and activities on the Road so as not to interfere with the District’s use and enjoyment of the Road and Property, and shall not interfere with or obstruct District’s ingress and egress over the Road or use and enjoyment of its Property except as specifically set forth in this Easement Agreement. Grantee shall not obstruct and/or endanger the use, operation and maintenance of any of the District’s improvements, facilities and/or equipment located on or near the Road and/or Property.

4. Maintenance of Road. To the extent it may legally do so, Grantee shall grade, level, fill, drain, maintain, repair and rebuild said Road as required to keep it in useable condition for its own and District purposes, and District authorizes the Grantee to cut, trim and remove any and all brush, trees, other vegetation and/or debris on the Property to the extent reasonably necessary for the Grantee and the District to access and use the Road in accordance with this Easement Agreement.

5. Notice of Road Maintenance Work. Grantee will provide reasonable advance notice to District of scheduled work and Road maintenance; provided that such advance notice will not be required in the event of an emergency that requires immediate repair of the Road (for example: removal of a tree that has fallen across the Road). Grantee will work in good faith and cooperatively with the District to minimize the impact of Road maintenance work. Grantee will keep a 10' wide lane of travel open on the Road during scheduled maintenance work unless the Grantee determines the road must be closed for travel due to safety concerns.

6. Restoration Provision. To the extent that District's Property is disturbed and/or damaged by Grantee's exercise of its rights hereunder, Grantee shall restore the condition of the Property as nearly as reasonably possible to its existing condition prior to said exercise of its rights. In the event that the Grantee desires to site/place Grantee improvements, facilities or equipment on the Property, the Grantee shall receive prior approval from the District and shall restore the condition of the Property where the improvements, facilities or equipment are sited/located upon removal of the respective improvement, facility and/or equipment by the Grantee

7. Indemnification and Hold Harmless.

a. The Grantee agrees to release, indemnify and promise to defend and save harmless the District, its officers, employees and agents from and against any and all liability, loss, damage, expense, actions and claims, including but not limited to costs and reasonable attorney's fees incurred by the District, its officers, employees and agents in defense thereof, arising out of any negligent act and/or omission of the Grantee, its officers, officials, employees and agents in exercising access and use rights pursuant to this Easement Agreement; provided, that in the event of the concurrent negligence of the Parties, the Grantee's obligations hereunder shall apply only to the percentage of fault attributable to the Grantee, its officers, officials, employees and/or agents.

b. Nothing contained in this Section shall be construed to create a liability or a right of indemnification in any third party.

c. The provisions of this Section shall survive the termination of this Easement Agreement with regard to any event that occurred prior to or on the date of said termination.

8. Title to Property. The District also covenants to the Grantee that District is lawfully seized and possessed of the Property; has a good and lawful right and power to sell and convey same.

9. No Representations or Warranties/No Maintenance, Repair, or Improvement

Obligation. Notwithstanding anything in this Easement Agreement to the contrary, the District makes no representations or warranties of any kind whatsoever as to the condition or suitability of the Road or the Property, and shall not be responsible for the maintenance, repair, and/or improvement of the Road or Property. Grantee accepts use of the Road on the Property “as is” and “where is” with all faults and defects and with full understanding and acknowledgement that the District is not required to make any maintenance, repair, and/or improvements of any kind.

10. Binding Effect. This access and use easement granted herein and the rights and obligations under this Easement Agreement are intended to and shall run with the Property and shall benefit and bind the parties and their respective heirs, successors and assigns.

11. Complete Agreement. This Easement Agreement represents the complete agreement of the Parties regarding the matters described herein. There are no other verbal or written agreements regarding the easement rights and obligations set forth herein, except as contained in this Easement Agreement. This Easement Agreement may only be modified by a written document signed by the Parties.

12. Severability. If any provision of this Easement Agreement is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, such provision shall not affect the validity of the remaining provisions of this Easement Agreement.

13. Governing Law and Venue. This Easement Agreement shall be governed by and construed in accordance with the laws of the State of Washington. The venue for any action to enforce or interpret this Easement Agreement shall lie in the Superior Court of Washington for Snohomish County, Washington.

14. Authority. Each person signing this Easement Agreement on behalf of an entity represents that they have full authority to sign this Easement Agreement on behalf of such entity.

15. Counterparts. This Easement Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same Easement.

IN WITNESS WHEREOF, this instrument has been executed the day and year first above written.

PUBLIC UTILITY DISTRICT NO. 1 OF SNOHOMISH COUNTY

By: _____
Maureen Barnes
Public Utility District No. 1 of Snohomish County

State of Washington
County of Snohomish

I, a Notary Public in and for the State of Washington, certify that I know or have satisfactory evidence that Maureen Barnes is the person who appeared before me and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Real Estate Services Manager of Public Utility District No. 1 of Snohomish County, to be a free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Given under my hand and official seal this _____ day of _____, 2022.

Signature: _____
Print Name: _____
Residing at: _____
My appointment expires: _____

IN WITNESS WHEREOF, this instrument has been executed the day and year first above written.

GRANTEE:

MT. INDEX RIVER SITES COMMUNITY CLUB, INC.

By: _____
Name: _____
Title: _____

State of Washington
County of Snohomish

I, a Notary Public in and for the State of Washington, certify that I know or have satisfactory evidence that _____ is the person who appeared before me and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the _____ of Mt. Index River Sites Community Club, Inc., to be a free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Given under my hand and official seal this _____ day of _____, 2022.

Signature: _____
Print Name: _____
Residing at: _____
My appointment expires: _____

EXHIBIT A
TO EASEMENT AGREEMENT BETWEEN PUBLIC UTILITY DISTRICT NO. 1 OF
SNOHOMISH COUNTY, WASHINGTON AND THE MT. INDEX RIVER SITES
COMMUNITY CLUB, INC. - 2022

PARCEL A (TAX PARCEL# 271029-001-002-00):

ALL THAT PORTION OF GOVERNMENT LOTS 4 AND 5, SECTION 29, TOWNSHIP 27 NORTH, RANGE 10 EAST, W.M., RECORDS OF SNOHOMISH COUNTY, WASHINGTON, LYING NORTHERLY OF THE RIGHT OF WAY OF GREAT NORTHERN RAILWAY COMPANY; EXCEPT PORTION THEREOF DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE WESTERLY LINE OF SAID RIGHT OF WAY WITH THE NORTH LINE OF SAID GOVERNMENT LOT 4; THENCE SOUTH 88° 44' WEST 200 FEET; THENCE SOUTH 1 ° 16' EAST 278 FEET TO THE NORTHERLY LINE OF SAID GREAT NORTHERN RAILWAY COMPANY RIGHT OF WAY; THENCE NORTHEASTERLY ALONG SAID RIGHT OF WAY TO THE TRUE POINT OF BEGINNING. ALSO EXCEPT COUNTY ROADS. SITUATE IN THE COUNTY OF SNOHOMISH, STATE OF WASHINGTON

PARCEL B (TAX PARCEL# 271029-001-013-00):

Section 29 Township 27 Range 10 Quarter NE TH PTN OF CERT 0.66AC PAR OF LD DESC IN DEED REC VOL 91 PG 606 & TH CERT 11.50AC STRIP OF LD DESC IN DEED REC VOL 72 PG 364 DAF BEG AN INT OF SELY BNDYSD 11.50AC STRIP OF LD WITH A LN PLW & 75FT NORM DIST NLY FR BNSF RR CO (FORMERLY GNRR CO) MAIN TRACK C/L AS NOW LOC & CONSTRUCTED TH NELY ALG SD SELY BNDY 190FT M/L TO SLY COR SD 0.66AC PAR TH CONTNELY ALG SD SELY BNDY SD 0.66AC PAR 530FT TO N LN SD SEC 29 TH WLY ALG SD N LN TO WLY BNDY SD 11.50AC STRIP TH SWLY & WLY ALG BNDY SD 11.50AC STRIP TO SD LN PLW & 75FT NORM DIST NLY FR BNSF RR CO MAINTRACK S/L TH SELY ALG SD PLL 670FT M/L TO POB EXC THFR TH CERT PAR OF LD DESC IN DEED REC VOL 345 PG 86 PER QCD REC AFN 201503060404

PARCEL C (TAX PARCEL# 271029-001-009-00):

A PORTION OF GOVERNMENT LOT 4, SECTION 29, TOWNSHIP 27 NORTH, RANGE 10 EAST, W.M. IN SNOHOMISH COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTH QUARTER CORNER OF SAID SECTION 29; THENCE SOUTH 89°43'11" EAST ALONG THE NORTH LINE THEREOF FOR 1149.30 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUE SOUTH 89°43'11" EAST FOR 135.0 FEET TO THE SOUTHEASTERLY RIGHT-OF-WAY MARGIN OF THE GREAT NORTHERN RAILWAY COMPANY; THENCE SOUTHWESTERLY ALONG SAID RIGHT-OF-WAY MARGIN, AS MEASURED SOUTHEASTERLY 100 FEET PARALLEL AND RADially FROM CENTERLINE OF GREAT NORTHERN RAILWAY COMPANY TRACT NOW REMOVED, TO A POINT SPIRAL OPPOSITE RAILROAD STATION 2141+64.8; THENCE CONTINUE SOUTHWESTERLY ALONG RIGHT-OF-WAY LINE AS MEASURED SOUTHEASTERLY 100 FEET RADially FROM SAID SPIRAL, HAVING A CENTRAL ANGLE OF 4°12' FOR 120 FEET TO A POINT OPPOSITE RAILROAD STATION 2140+44.80; THENCE ON A CURVE TO THE RIGHT HAVING A RADIUS OF 919.21 FEET THROUGH AN ANGLE OF 12°56'09" FOR 207.49 FEET; THENCE NORTH 48°55'50" WEST FOR 60.0 FEET; THENCE NORTHEASTERLY 400 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING.



BUSINESS OF THE COMMISSION

Meeting Date: December 20, 2022

Agenda Item: 6A

TITLE

Consideration of a Resolution Authorizing and Approving an Updated District Investment Policy

SUBMITTED FOR: Items for Individual Consideration

<u>Finance</u>	<u>Lauren Way</u>	<u>8042</u>
<i>Department</i>	<i>Contact</i>	<i>Extension</i>
Date of Previous Briefing:	<u>December 6, 2022</u>	
Estimated Expenditure:	_____	Presentation Planned <input type="checkbox"/>

ACTION REQUIRED:

- Decision Preparation
- Policy Discussion
- Policy Decision
- Statutory
- Incidental (Information)
- Monitoring Report

SUMMARY STATEMENT:

Identify the relevant Board policies and impacts:

Executive Limitation 7: The CEO/General Manager shall not allow corporate assets to be unprotected, inadequately maintained or unnecessarily risked. Accordingly, he or she shall not invest or hold operating capital in accounts or investments other than those permitted investments for the State of Washington.

The District passed a Resolution in 1987, as amended in 2015, adopting an Investment Policy to ensure that District funds were invested in compliance with the Revised Code of Washington (RCW). While the RCWs regarding authorized investments for governmental agencies have not changed significantly, it is a prudent business practice to review policies periodically and update them to ensure that the language is not outdated and that they stay current with industry best practice. Accordingly, staff has updated the Investment Policy to expand and enhance various aspects of the Policy including, among other things, expanding authorized investment classes, placing limitations on certain investment instruments, and defining portfolio maturity limits. Staff is seeking Board approval of a Resolution adopting the updated Investment Policy.

List Attachments:
Resolution
Exhibit A

RESOLUTION NO. _____

A RESOLUTION Authorizing and Approving an Updated District Investment Policy

WHEREAS, the Commission of Public Utility District No. 1 of Snohomish County, Washington (the "District"), pursuant to Resolution No. 3032 passed on February 10, 1987, revised by Resolution No. 5714 passed on April 21, 2015, adopted an Investment Policy in order to ensure that District monies held in such funds as the revenue, construction, bond and other special purpose funds should be invested as fully as possible consistent with prudent utility practices and in accordance with the principles of sound treasury management, the Revised Code of Washington and applicable District policy; and

WHEREAS, while the RCWs regarding authorized investments for governmental agencies have not significantly changed, it is a prudent business practice to review policies periodically and update them to ensure that the language is not outdated and that they stay current with industry best practice; and

WHEREAS, staff has updated the existing Investment Policy to expand and enhance various aspects of the Policy including, among other things, redefining members of the Investment Review Group, placing limitations on certain investment instruments, and defining portfolio duration limits; and

WHEREAS, the Commission has reviewed the proposed updates to the Investment Policy and finds such updates to be consistent with prudent utility practices and in the best interests of the District, based on the recommendation of District staff.

NOW, THEREFORE, be it resolved by the Commission of Public Utility District No. 1 of Snohomish County, Washington as follows:

1. The updated Investment Policy attached hereto as Exhibit “A” and the procedures and guidelines established therein are hereby adopted, and the District Treasurer is authorized to implement the policy.
2. The District’s Treasurer shall be responsible for ensuring that District investments are made in accordance with such updated Investment Policy.
3. Resolution 5714 is hereby repealed.

PASSED AND APPROVED this 20th day of December, 2022.

President

Vice-President

Secretary

Public Utility District No. 1 of Snohomish County

Investment Policy



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PUBLIC UTILITY DISTRICT No. 1
SNOHOMISH COUNTY

Investment Policy

1. Policy Statement

It is the policy of the Public Utility District No. 1 of Snohomish County, hereby referred to as the “District”, to invest public funds in a manner which will conform with state and local statutes governing the investment of public funds, while providing preservation of Principal, Liquidity and market rate returns consistent with financial market indices.

2. Scope

This Investment Policy applies to all financial Assets of the District, including funds held by the Electric System, the Generation System, and the Water System. These funds are accounted for in the District’s General Ledger and subsidiary ledgers and include: Operating Reserves, Contingency Reserves, Benefit Reserves, Bond Debt Service Reserves, Sinking Reserves, Project Reserves, and all other reserves created by the Board of Commissioners, unless specifically exempted.

3. Prudence

The Prudent Person Rule for purposes of this document is defined as follows:

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of Prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived from the investment. The standard of Prudence to be used by Investment Officers shall be the "Prudent Person" standard and shall be applied in the context of managing an overall Portfolio. Investment Officers acting in accordance with written procedures and the Investment Policy and exercising due diligence shall be relieved of personal responsibility for an individual security's Credit Risk or market price changes, provided deviations from expectations are reported to the Chief Executive Officer/General Manager (CEO/General Manager) in a timely fashion and appropriate action is taken to control adverse developments.

While the standard of Prudence to be used by District staff is the Prudent Person Rule, any person or firm hired or retained to invest, monitor, or advise concerning these Assets shall be held to the higher standard of “Prudent Expert Standard.”

The Prudent Expert Standard for purposes of this document is defined as follows:

Any person or firm hired or retained to invest and/or reinvest moneys, and/or acquire, retain, manage, and/or dispose of investments, or to act in a fiduciary capacity with respect to District funds, shall discharge their duties solely in the interests of the District utilizing the judgment, care, skill, Prudence, and diligence under the circumstances then prevailing, which persons of Prudence, discretion, and intelligence, acting in a like capacity and familiar with

such matters would use in the conduct of an enterprise of like character and with like aims, by diversifying the investments of the funds, so as to minimize the risk, considering the probable income as well as the probable safety of their capital.

4. Objectives

The primary objectives, in priority order, of the District's investment activities shall be:

- 4.1 **Legality:** the District's investments will be in compliance with all statutes governing the investment of public funds in the State of Washington.
- 4.2 **Safety:** investments of the District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall Portfolio. To obtain this objective, Diversification is required to minimize the possibility that Losses on individual Securities exceed the income generated from the remainder of the Portfolio.
- 4.3 **Liquidity:** the District's investment Portfolio will remain sufficiently liquid to enable the District to meet all reasonably anticipated cash flow requirements.
- 4.4 **Return on Investment:** the District's investment Portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, considering the District's investment safety constraints and Liquidity needs.

5. Delegation of Authority

Authority to manage the District's investment program is provided for in this policy and is the responsibility of the Treasurer. The Treasurer, or designee, is responsible for daily operation of the District's investment program and activities. These activities include:

- Establish and maintain written investment procedures for the operation of the investment program consistent with this policy.
- Establish an overall investment strategy to make investment decisions in varying market conditions.
- Select the type and term of investments, and the funds into which the investments will be placed.
- Determine the appropriate risk profile for each fund and an appropriate market return benchmark to compare investment returns.
- Prepare and update investment Maturity projections necessary for the investment program.
- Select Broker/Dealers that will provide competitive pricing and efficient trade execution to the District.

- Select an investment advisor registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940, as needed.
- Record and maintain investment transactions within the District's general and subsidiary ledgers.
- Maintain documentation of transactions for audit and control purposes.
- Determine appropriate third-party custodial relationships for all funds.

6. Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall not conduct personal business activity that may conflict with the proper execution of the investment program or may impair their ability to make impartial investment decisions. Employees and Investment Officers shall disclose to the Treasurer any material financial interests in Financial Institutions that conduct business within this jurisdiction, and they shall further disclose any personal financial/investment positions that could be related to the performance of the District's Portfolio.

7. Investment Review Committee

The policy establishes the Investment Review Committee, which has as its function to monitor the performance and structure of the District's investments. Members of the Investment Review Committee shall include the Assistant General Manager of Finance/Chief Financial Officer (AGM/CFO), the Treasurer, the Deputy Treasurer, and a member designated by the CEO/General Manager. The Investment Review Committee shall meet monthly to discuss investment Portfolio performance, investment strategy, and, as needed, the Investment Policy and procedures. Their primary duties shall be the following:

1. Review the current Yield curve from various sources and discuss ongoing investment strategy.
2. Review the investment Portfolio performance of the past month and discuss significant trends and transactions.
3. Review reporting on all reserve categories and their performance to established benchmarks. If there is significant variance, discuss the rationale for the difference in return.
4. Review compliance with the Investment Policy and record any instances of non-compliance. Report instances of non-compliance and any recommendations of changes to the policy to the CEO/General Manager.
5. Summaries of the Investment Review Committee meetings will be documented and maintained.

8. Authorized Financial Institutions and Broker/Dealers

The Treasurer or designee will maintain a list of Financial Institutions authorized to provide investment services. In addition, a list will also be maintained of approved security Broker/Dealers selected by credit worthiness and services. These may include "primary" Dealers or regional Dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule). No public deposits shall be made except in Qualified Public Depositories as provided in Chapter 39.58 RCW.

The Treasurer or designee shall conduct a review of Brokers/Dealers and Financial Institutions at a minimum of every three years and shall report findings to the Investment Review Committee at the next regularly scheduled Investment Review Meeting. The Broker/Dealer review will include the following:

- Transactions summary of Broker/Dealer activity with the District
- Assessment of value provided by the Broker/Dealer: research, strategy, efficiency, and any other factor deemed appropriate by the Treasurer or designee taking into consideration market conditions and projections.

On an annual basis, the Treasurer or designee shall conduct a review of the following:

- Financial statements or filed Financial and Operational Combined Uniform Single (FOCUS) report from the Broker/Dealer or Institution
- Completion of Investment Policy Certification by Broker/Dealer or Institution
- Financial Industry Regulatory Authority verification

If the District has engaged the services of an external registered investment advisor, and the advisor is engaged by contract to execute trades on behalf of the District, the advisor will provide a list of approved Financial Institutions and Broker/Dealers to the District on an annual basis.

To the extent practicable, the Treasurer or designee shall endeavor to complete investment transactions using a Competitive Bid Process. Where possible, transactions with Broker/Dealers shall be selected on a competitive basis and their Bid or Offering prices shall be recorded. If there is no other readily available competitive Offering, best efforts will be made to document quotations for comparable or alternative Securities. When purchasing original issue instrumentality Securities, no competitive Offerings will be required when all Dealers in the selling group Offer such Securities at the same original issue price.

9. Authorized and Suitable Investments

The District is empowered to invest in eligible investment Securities and deposits that are authorized by Washington State Statute (RCW 39.58, 39.59, 43.84.080 and 43.250). Eligible investments include: 1) Obligations of the U.S. government including U.S. Treasury Notes, Bonds, and Bills, 2) Obligations of U.S. government agencies wholly owned by the government or any Government Sponsored Enterprises (GSE's), 3) Banker's Acceptances purchased on the secondary market, 4) Commercial Paper purchased on the secondary market, 5) Supranational Securities, 6)

Municipal Bonds, 7) Certificates of Deposit, 8) Bank Deposits and Bank Savings Accounts held at a National Financial Institution, that are under the Washington State Public Depository Protection Commission (PDPC), and 9) State of Washington Local Government Investment Pool.

Credit criteria listed in this section refer to the credit rating(s) at the time the security is purchased. Rating categories defined by nationally recognized statistical rating organizations (“NRSRO”) include intermediate rating categories. For example, the second highest rating category will include Bonds rated AA+, AA and AA- for Standard & Poor's and Fitch and Aa1, Aa2 and Aa3 for Moody's Investors Service. In the event that an issuer is downgraded below the minimum rating level for any specific security that is held in the Portfolios, the Treasurer or designee will review the exposure of that security holding and determine if it is advisable to sell such holding.

Maturity restrictions shall be calculated from Settlement Date to Maturity date. Portfolio percentage restrictions by security type and issuer are applicable only on the date of purchase of the investment.

A. **U.S. Treasury Obligations.** Obligations in the form of bills, notes, Bonds, or certificates of indebtedness backed by the full faith and credit of the United States of America. 100% of the Portfolio may be invested in U.S. Treasury Obligations. The maximum Maturity for investments in U.S. Treasury Obligations shall be limited to five years.

B. **U.S. Agency Obligations.** Obligations issued by or fully guaranteed as to Principal and interest by Federal Agencies or United States government-sponsored enterprises (“Agencies”). 100% of the Portfolio may be invested in Agency obligations with no more than 50% of the Portfolio being invested in a single U.S. Agency. Subordinate debt of any U.S. Agency is not authorized. The maximum Maturity for investments in Agencies shall be limited to five years.

C. **Bankers' Acceptances.** Bills of exchange or time drafts that are drawn on and accepted by a commercial bank.

1. Bankers' Acceptances must be rated within the highest short-term credit rating category of any two NRSROs, at the time of purchase. If the Bankers' Acceptance is rated by more than two NRSROs, it must have the highest rating from all of the NRSROs;

2. Bankers' Acceptances may not have Maturities exceeding 180 days;

3. Any Bankers' Acceptance purchased with a Maturity longer than 100 days must also have an underlying long-term senior unsecured credit rating at the time of purchase in one of the three highest rating categories of a NRSRO;

4. Bankers' Acceptances must be purchased in the secondary market and not directly from the issuer; and

5. The percentage of Bankers' Acceptances may not exceed 25% of the total Assets of the Portfolio with the percentage limited to 5% for any single issuer.

D. **Commercial Paper.** Commercial paper issued by a corporation or bank, provided that any investments in commercial paper must adhere to the investment policies and procedures adopted by the State Investment Board as follows:

1. Commercial paper must be rated within the highest short-term credit rating category of any two NRSROs, at the time of purchase. If the commercial paper is rated by more than two NRSROs, it must have the highest rating from all of the NRSROs;
2. Commercial paper holdings may not have Maturities exceeding 270 days;
3. Any commercial paper purchased with a Maturity longer than 100 days must also have an underlying long-term senior unsecured credit rating at the time of purchase in one of the three highest rating categories of a NRSRO;
4. Commercial paper must be purchased in the secondary market and not directly from the issuer; and
5. The percentage of commercial paper may not exceed 10% of the total Assets of the Portfolio with the percentage limited to 3% for any single issuer.

E. Supranational Securities. U.S. dollar-denominated senior unsecured unsubordinated Bonds, notes, or other obligations that are issued or guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter- American Development Bank, provided that, at the time of investment, the Supranational is rated within one of the two highest rating categories of a NRSRO, and has the U.S. government as its largest shareholder. No more than 10% of the Portfolio may be invested in Supranational obligations with no more than 5% invested in obligations of a single Supranational issuer. The maximum Maturity for investments in Supranational Securities shall be limited to five years.

F. Municipal Bonds. Bonds of the State of Washington or any local government in the state of Washington; or general obligation Bonds of a state other than the State of Washington or general obligation Bonds of a local government in a state other than the state of Washington. Any such municipal Bonds must be rated, at the time of investment, within one of the three highest ratings categories of a NRSRO. 20% of the Portfolio may be invested in municipal Bonds with no more than 5% of the Portfolio invested in Bonds of any one municipal Bond issuer. The maximum Maturity for investments in municipal Bonds shall be limited to five years.

G. Certificates of Deposit (CDs). Certificates of Deposit (CDs) issued by Financial Institutions qualified by the Washington Public Deposit Protection Commission. The percentage of CDs may not exceed 25% of the total Assets of the Portfolio. The maximum Maturity for Certificates of Deposit investments shall not exceed five years.

H. Bank Deposits and Bank Savings Accounts held at a National Financial Institution, which are under the Washington State Public Depository Protection Commission (PDPC). The percentage of PDPC bank deposits may not exceed 50% of the total Assets of the Portfolio.

I. State of Washington Local Government Investment Pool. 100% of the Portfolio may be invested in the Investment Pool managed by the Washington State Treasurer's Office.

10. Diversification

In order to encompass the investment goals of Legality, Safety, Liquidity, and Return on Investment, the District will diversify its investments by security type, issuer, and Maturity. Specific limits will be set by this policy and are summarized below:

Summary of Portfolio Constraints

Issue Type	Maximum % Holdings	Maximum % Holdings Per Issuer	Maximum Maturity	Minimum Ratings
US Treasury Obligations	100%	N/A	5 years	US Government Guarantee
US Agency Securities	100%	50%	5 Years	US Government Implied Support
Bankers' Acceptances	25%	5%	180 Days	A1+/P1/F1+
Commercial Paper	10%	3%	270 Days	A1+/P1/F1+
Supranational Securities	10%	5%	5 Years	AA-/Aa3/AA-
Municipal Bonds	20%	5%	5 Years	A-/A3/A-
Certificates of Deposit	25%	N/A	5 Years	Qualified Washington Depository
Bank Deposits and Bank Savings Accounts (PDPC)	50%	N/A	N/A	Qualified Washington Depository
LGIP Washington Pool Fund	100%	N/A	N/A	Non-Rated

Additionally, in order to mitigate risk in the Portfolio, the District shall limit callable security exposure to a maximum of 20% of the Portfolio.

11. Investment of Tax-Exempt Bond Proceeds

The District recognizes that Bond proceeds must be invested in accordance with Section 1.148 of the U.S. Internal Revenue Code, related to arbitrage rebate, which limits the investment returns which may be achieved or retained by the District on such proceeds investments. For purposes of this Policy, "Bond proceeds" shall mean proceeds from the issuance of Bonds or other financial Securities issued by the District. Investments held in conjunction with the issuance of debt shall be excluded from the maximum investment parameters of this Policy.

In addition to the Authorized Investments described in Section 9. above, Money Market Funds are permissible investments exclusively for Bond proceeds invested in accordance with Section 1.148

of the U.S. Internal Revenue Code, related to arbitrage rebate. A maximum of 25% of such Bond proceeds may be invested in Money Market Funds.

(1) Shares of mutual funds with Portfolios consisting of only United States government Bonds or United States government guaranteed Bonds issued by federal agencies with average Maturities less than four years; or Bonds described in RCW 39.59.040 (1) or (2);

(2) Shares of money market funds with Portfolios consisting of only Bonds of states and local governments or other issuers authorized by law for investment by local governments, which Bonds have at the time of investment, one of the two highest credit ratings of a nationally recognized rating Agency; or

(3) Shares of money market funds with Portfolios consisting of Securities otherwise authorized by law for investment by local governments.

12. Safekeeping and Custody

All security transactions entered into by the District shall be conducted on a Delivery Versus-Payment (DVP) basis. Securities will be held in Safekeeping by a third-party Custodian in the District's account. The Safekeeping or trust custody institution shall issue a Safekeeping report for each security transaction, listing the specific instrument, Par Value, rate, CUSIP and any other pertinent information. In addition, the institutions shall provide a statement on at least a monthly basis listing all Securities held in account, including Book Value and Market Value of holdings at month end.

13. Maximum Maturities

To the extent possible, the District will attempt to match its investments with anticipated cash flow requirements. Cash balances exceeding Liquidity requirements can be invested in Securities with a maximum Maturity not to exceed five (5) years, with the exception of Debt Service Reserve Funds, which may be invested with Maturity dates not to exceed the term of the underlying Bond. The total Average Maturity of all investments combined, excluding Debt Service Reserve Funds, shall not exceed three (3) years. This maximum is established to limit the District's overall market price change exposure to negative interest rate changes.

Total Portfolio Maturity Constraints

Maturity Constraints	Minimum % of Total Portfolio
Under 30 days	10%
Under 1 year	25%
Under 5 years	100%

14. Internal Controls

The AGM/CFO, or designee, shall establish a process of independent audit of the District's financial statements. The engaged independent auditor, in accordance with auditing standards generally accepted in the United States of America (GAAS), will obtain a relevant understanding of the District's internal controls surrounding cash and investments in order to design audit procedures deemed appropriate to execute the financial statement audit. Recommended changes of operating procedures to improve internal controls may result.

15. External Controls

The District may enter into contracts with third-party investment advisory firms when their services are deemed to be beneficial to the District. The advisor must comply with the Investment Policy and may have authority to transact investments on behalf of the District. The advisor may only act on a non-discretionary basis and is not allowed to invest without the approval of the AGM/CFO or designee.

16. Performance Standards

The District's investment Portfolio strategy is passive. Given this strategy, the investment Portfolio will be designed to obtain a market average rate of return during budgetary and economic cycles, taking into account the District's investment risk constraints and cash flow needs.

- 16.1 Reserve Category Benchmarks: A market benchmark will be established for each designated reserve category to provide guidance for investment. This will provide for an investment strategy that considers the appropriate risk and return characteristics for each designated reserve.

17. Reporting

The Treasurer or designee shall provide the CEO/General Manager quarterly investment reports which provide a clear picture of the status of the current investment Portfolio. Quarterly reports will include:

- Comments on the fixed income markets and current economic conditions.
- A listing of individual Securities held at the end of the reporting period.
- A comparison of the District's total return and earning rates on its' overall Portfolio compared to various market benchmarks.
- Total return and earning rates for distinct reserve categories that are managed to market benchmarks.
- A statement of compliance with the Investment Policy and the Revised Code of Washington as referenced in this policy.

18. Investment Policy and Procedures Review

The District's Investment Policy shall be adopted by resolution of the Board of Commissioners. It shall be reviewed annually by the Investment Review Committee and any changes shall be recommended for action by the Board. Changes to the investment procedures will be reviewed and approved by the District Treasurer.

Glossary of Commonly Used Investment Terms

The terms defined within this glossary are intended to aid a user of the District's Investment Policy, internal investment reporting, externally produced reporting and statements, and the components of the District's Annual Report as they relate to the investment program. Not all terms included herein are included within the Policy but are intended to define common terms encountered in the industry.

ACCRUED INTEREST - The interest accumulated on a Bond since issue date or the last coupon payment. The buyer of the Bond pays the market price and Accrued Interest, which is payable to the seller.

AGENCY - A debt security issued by a federal or federally sponsored Agency. Federal agencies are backed by the full faith and credit of the U.S. Government. Federally Sponsored Agencies (FSAs) are backed by each particular Agency with a market perception that there is an implicit government guarantee. (Also see FEDERAL SECURITIES, AGENCY SECURITIES, and GOVERNMENT SECURITY)

AMORTIZATION - In Portfolio accounting, periodic charges made against interest income on Premium Bonds in anticipation of receipt of the call price at call or of Par Value at Maturity.

ASSET - Available property, as for payment of debts.

AVERAGE MATURITY - A weighted average of the expiration dates for a Portfolio of debt Securities. An income fund's volatility can be managed by shortening or lengthening the Average Maturity of its Portfolio.

BANK WIRE - A virtually instantaneous electronic transfer of funds between two Financial Institutions.

BANKERS ACCEPTANCES (BAs) - Bankers Acceptances generally are created based on a letter of credit issued in a foreign trade transaction. They are used to finance the shipment of commodities between countries as well as the shipment of some specific goods within the United States. BAs are short-term, non-interest-bearing notes sold at a Discount and redeemed by the accepting bank at Maturity for full Face Value. These notes trade at a rate equal to or slightly higher than Certificates of Deposit (CDs), depending on market supply and demand.

Bankers Acceptances are sold in amounts that vary from \$100,000 to \$5,000,000, or more, with Maturities ranging from 30 - 270 days. They Offer Liquidity to the investor as it is possible to sell BAs prior to Maturity at the current market price.

BASIS POINT - A measure of an interest rate, i.e., 1/100 of 1 percent, or .0001.

BID - The indicated price at which a buyer is willing to purchase a security or commodity. When selling a security, a Bid is obtained. (See Offer)

BOND - A long-term debt security issued by a government or corporation that generally pays a stated rate of interest and returns the Face Value on the Maturity date.

BOOK ENTRY SECURITIES - U.S. government and federal Agency Securities that do not exist in definitive (paper) form; they exist only in computerized files maintained by the Federal Reserve Bank.

BOOK VALUE - The amount at which an Asset is carried on the books of the owner. The Book Value of an Asset does not necessarily have a significant relationship to Market Value.

BROKER - A Broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides.

CERTIFICATES OF DEPOSIT - Certificates of Deposit, familiarly known as CDs, are certificates issued against funds deposited in a bank for a definite period of time and earning a specified rate of return. Certificates of Deposit bear rates of interest in line with money market rates current at the time of issuance.

COLLATERAL: Property (as Securities) pledged by a borrower to protect the interest of the lender.

COMPETITIVE BID PROCESS - A process by which three or more institutions are contacted via the telephone to obtain interest rates for specific Securities.

CREDIT QUALITY - The measurement of the financial strength of a Bond issuer. This measurement helps an investor to understand an issuer's ability to make timely interest payments and repay the loan Principal upon Maturity. Generally, the higher the Credit Quality of a Bond issuer, the lower the interest rate paid by the issuer because the risk of default is lower. Credit Quality ratings are provided by nationally recognized rating agencies.

CREDIT RISK - The risk that another party to an investment transaction will not fulfill its obligations. Credit Risk can be associated with the issuer of a security, a financial institution holding the entity's deposit, or a third-party holding Securities or Collateral. Credit Risk exposure can be affected by a concentration of deposits or investments in any one investment type or with any one party.

CUSIP - The CUSIP number is a unique identification number assigned to all stocks and registered bonds in the United States and Canada, and it is used to create a concrete distinction between securities that are traded on public markets. These numbers are used to help facilitate trades and settlements by providing a constant identifier to help distinguish the securities within a trade.

CUSTODIAN - An independent third party (usually bank or trust company) that holds Securities in Safekeeping as an agent for the District.

DEALER - A Dealer, as opposed to a Broker, acts as a Principal in all transactions, buying and selling for his own account.

DELIVERY - The providing of a security in an acceptable form to the District or to an agent acting on behalf of the District and independent of the seller. Acceptable forms can be physical Securities or the transfer of Book Entry Securities. The important distinction is that the transfer accomplishes absolute ownership control by the District.

DELIVERY VS PAYMENT - There are two methods of Delivery of Securities: Delivery vs. Payment and Delivery vs. receipt (also called free). Delivery vs. Payment is Delivery of Securities

with an exchange of money for the Securities. Delivery vs. receipt is Delivery of Securities with an exchange of a signed receipt for the Securities.

DEPOSITARY - A person to whom something is entrusted, a depository.

DEPOSITARY BANK - A local bank used as the point of deposit for cash receipts.

DEPOSITARY INSURANCE - Insurance on deposits with Financial Institutions. For purposes of this policy statement, Depository Insurance includes: a) Federal Depository Insurance funds, such as those maintained by the Federal Deposit Insurance Corporation (FDIC) AND Federal Savings and Loan Insurance Corporation (FSLIC); and b) Public Deposit Protection Commission.

DISCOUNT - 1. (n.) selling below par; e.g., a \$1000 Bond selling for \$900. 2. (v.) anticipating the effects of news on a security's value; e.g., "The market had already Discounted the effect of the labor strike by Bidding the company's stock down."

DIVERSIFICATION - Dividing available funds among a variety of Securities and institutions so as to minimize Market Risk.

EFFECTIVE RATE - The Yield you would receive on a debt security over a period of time taking into account any compounding effect.

FACE VALUE - The value of a Bond stated on the Bond certificate; thus, the redemption value at Maturity. Most Bonds have a Face Value, or par, of \$1,000.

FEDERAL SECURITIES/AGENCY SECURITIES - Several government-sponsored agencies, in recent years, have issued short and long-term notes. Such notes typically are issued through Dealers, mostly investment banking houses. These Federal government-sponsored agencies were established by the U.S. Congress to undertake various types of financing without tapping the public treasury. In order to do so, the agencies have been given the power to borrow money by issuing Securities, generally under the authority of an act of Congress. These Securities are highly acceptable and marketable for several reasons, mainly because they are exempt from state, municipal, and local income taxes. Furthermore, Agency Securities must Offer a higher Yield than direct Treasury debt of the same Maturity to find investors, partly because these Securities are not direct obligations of the Treasury.

The main Agency borrowing institutions are the Federal National Mortgage Association (FNMA), the Federal Home Loan Bank System (FHLB), and the Federal Farm Credit System (FFCS).

FHLB - FEDERAL HOME LOAN BANK SYSTEM - consists of twelve Federal Home Loan Banks, issues, in addition to long-term Bonds, coupon notes with Maturities of up to one year. Their attractiveness stems from their investment denominations of \$10,000 to \$1 million.

FFCS - FEDERAL FARM CREDIT SYSTEM – is a network of government programs and financial institutions created to provide financing for agricultural businesses in the United States. These notes are made attractive by their denominations from \$1,000 to \$1 million.

FNMA - FEDERAL NATIONAL MORTGAGE ASSOCIATION - issues notes tailored to the Maturity needs of the investor. Maturities range from 30 days up to 30 years. These notes are made attractive by their denominations from \$5,000 to \$1 million.

FEDERAL DEPOSIT INSURANCE (FDIC) - A Federal institution that insures bank deposits. The current limit is up to \$250,000 per depository account.

FEDERAL FUNDS RATE - The rate of interest at which Fed Funds are traded between banks. Fed Funds are excess reserves held by banks that desire to invest or lend them to banks needing reserves. The particular rate is heavily influenced through the open market operations of the Federal Reserve Board. Also referred to as the "Fed Funds rate."

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA) - FNMA, like GNMA, was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a Federal corporation working under the auspices of the Department of Housing and Urban Development, HUD. It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's Securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of Principal and interest.

FEDERAL RESERVE SYSTEM - The central bank of the United States which has regulated credit in the economy since its inception in 1913. Includes the Federal Reserve Bank, 14 district banks and the member banks of the Federal Reserve, and is governed by the Federal Board.

FINANCIAL INSTITUTIONS - Establishments that include the circulation of money, the granting of credit, the making of investments, and the provision of banking facilities.

FISCAL AGENCY - A financial institution that handles certain Bond and coupon redemptions on behalf of the District.

GINNIE MAES (GNMAs) - Mortgage Securities issued and guaranteed, as to timely interest and Principal payments, by the Government National Mortgage, an Agency within the Department of Housing and Urban Development (HUD).

GOVERNMENT SECURITY - Any debt obligation issued by the U.S. government, its agencies, or instrumentalities. Certain Securities, such as Treasury Bonds and Ginnie Maes, are backed by the government as to both Principal and interest payments. Other Securities, such as those issued by the Federal Home Loan Mortgage Corporation, or Freddie Mac, are backed by the issuing Agency.

HAIRCUT - This term describes the way Brokers and clients protect themselves from Market Risk in doing repos. An entity wanting to finance the purchase of \$100 million in Treasury Bonds may borrow just \$98 million of the money. The two percent difference between the amount of Securities purchased and the amount of money borrowed is the Haircut. Similarly, an entity looking to borrow \$100 million may need to provide, as Collateral, Treasury Securities with a market price equal to \$102 million.

INVESTMENT OFFICER – Individuals granted the authority by the Treasurer to invest funds of the District in accordance with the Investment Policy.

LIQUIDATION - Conversion into cash.

LIQUIDITY - Refers to the ease and speed with which an Asset can be converted into cash without a substantial Loss in value.

LOSS - The excess of the cost or Book Value of an Asset over selling price.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP) - The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

MARK-TO-MARKET - An adjustment in the valuation of a Securities Portfolio to reflect the current Market Values of the respective Securities in the Portfolio. This process is also used to ensure that margin accounts are in compliance with maintenance.

MARKETABILITY - Ability to sell large blocks of money market instruments quickly and at competitive prices.

MARKET RISK - The risk associated with declines or rises in interest rates which cause an investment in a fixed-income security to increase or decrease in value. The risk that the Market Value of an investment, Collateral protecting a deposit, or Securities underlying a Repurchase Agreement will decline.

MARKET VALUE - The price at which a security is trading and could presumably be sold.

MASTER REPURCHASE AGREEMENT - An agreement between the investor and the Dealer or financial institute. This agreement defines the nature of the transactions, identifies the relationship between the parties, establishes normal practices regarding ownership and custody of the Collateral Securities during the term of the investment, provides for remedies in the event of a default by either party and otherwise clarifies issues of ownership.

MATURITY - The time when a security becomes due and at which time the Principal and interest or final coupon payment is paid to the investor.

NET WORTH - A Financial Institution's available funds after their total liabilities have been deducted from their total Assets.

OFFER - The indicated price at which a seller is willing to sell a security or commodity (See BID). When buying a security an Offer is obtained.

PAR VALUE - The nominal or Face Value of a debt security; that is, the value at Maturity.

PORTFOLIO - The collection of Securities held by an investor.

PREMIUM - The amount by which a Bond sells above its Par Value.

PRIMARY DEALERS - A pre-approved bank, Broker/Dealer or other Financial Institution that is able to make business deals with the U.S. Federal Reserve, such as underwriting new government debt. These Dealers must meet certain Liquidity requirements as well as provide a valuable flow of information to the Fed about the state of the worldwide markets.

PRIME RATE - The interest rate a bank charges on loans to its most credit worthy customers. The rate frequently cited as a standard for general interest rate levels in the economy.

PRINCIPAL - An invested amount on which interest is charged or earned.

PRUDENCE - The ability to govern and discipline oneself by the use of reason. Shrewdness in the management of affairs. Able to use skill and good judgment in the use of resources.

QUALIFIED PUBLIC DEPOSITORY - A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated, for the benefit of the commission, eligible Collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

REGISTERED SECURITY - A security that has the name of the owner written on its face. A Registered Security cannot be negotiated except by the endorsement of the owner.

REPURCHASE AGREEMENT (Repo) - The Repo is a contractual transaction between an investor and an issuing financial institution (not a secured loan). The investor exchanges cash for temporary ownership of specific Securities, with an agreement between the parties that on a future date, the financial institution will repurchase the Securities at a prearranged price. An "Open Repo" does not have a specified repurchase date and the repurchase price is established by a formula computation.

REPRICING - The revaluation of the Market Value of Securities.

SAFEKEEPING - A service to customers rendered by banks for a fee whereby all Securities and valuables of all types and descriptions are held in the bank's vaults for protection, or in the case of Book Entry Securities, are held and recorded in the customer's name and are inaccessible to anyone else.

SALLIE MAES - Pooling of student loans guaranteed by the Student Loan Mortgage Association (SLMA) to increase the availability of education loans. The SLMA purchases the loans after buying them on the secondary market from lenders. SLMA stock is publicly traded.

SECURITIES - Bonds, notes, mortgages, or other forms of negotiable or non-negotiable instruments.

SETTLEMENT DATES - The day on which payment is due for a Securities purchase. For stocks and mutual funds bought through an investment Dealer, settlement is normally five business days after the trade date. Bonds and options normally settle one business day after the trade date mutual fund shares purchased directly by mail or wire settle on the day payment is received.

SPREAD - (a) Difference between the best buying price and the best-selling price for any given security. (b) Difference between Yields on or prices of two Securities of differing quality or differing Maturities. (c) In underwriting, difference between price realized by the issuer and price paid by the investor.

STRIPPED TREASURIES - U.S. Treasury debt obligations in which coupons are removed by Brokerage houses, creating zero-coupon Bonds.

TRIPARTITE CUSTODIAN AGREEMENT - An agreement that occurs when a third party or Custodian becomes a direct participant in a repurchase transaction. The Custodian ensures that the exchange occurs simultaneously and that appropriate safeguards are in place to protect the investor's interest in the underlying Collateral.

THIRD-PARTY SAFEKEEPING - A Safekeeping arrangement whereby the investor has full control over the Securities being held and the Dealer or bank investment department has no access to the Securities being held.

TIME DEPOSIT - Interest-bearing deposit at a savings institution that has a specific Maturity.

TOTAL RATE OF RETURN - A measure of a Portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the Portfolio with the ending value; it includes interest earnings, realized and unrealized gains, and Losses in the Portfolio.

TREASURY BILLS - Treasury Bills are short-term debt obligations of the U.S. Government. They Offer maximum safety of Principal since they are backed by the full faith and credit of the United States Government. Treasury Bills, commonly called "T-Bills," account for the bulk of government financing, and are the major vehicle used by the Federal Reserve System in the money market to implement national monetary policy. T-Bills are sold in three, six, nine, and twelve-month bills. Because Treasury Bills are considered "risk-free," these instruments generally Yield the lowest returns in the major money market instruments.

TREASURY NOTES AND BONDS - While T-Bills are sold at a Discount rate that establishes the Yield to Maturity, all other marketable treasury obligations are coupon issued. These include Treasury Notes with Maturities from one to ten years and Treasury Bonds with Maturities of 10-30 years. The instruments are typically held by banks and savings and loan associations. Since Bills, Notes, and Bonds are general obligations of the U.S. Government, and since the Federal Government has the lowest Credit Risk of all participants in the money market, its obligations generally Offer a lower Yield to the investor than do other Securities of comparable Maturities.

UNDERLYING SECURITIES - Securities transferred in accordance with a Repurchase Agreement.

UNREALIZED GAINS/LOSSES - An increase or decrease in the value of an investment that has not yet been sold.

VENDOR - A business or individual who provides a service or product at a cost.

WHEN-ISSUED TRADES - Typically, there is a lag between the time a new Bond is announced and sold and the time it is actually issued. During this interval, the security trades "Wi," "when, as, and if issued."

Wi - When, as, and if issued. See When-issued trades.

YIELD - The rate at which an investment pays out interest or dividend income, expressed in percentage terms and calculated by dividing the amount paid by the price of the security and annualizing the result.

YIELD BASIS - Stated in terms of Yield as opposed to price. As Yield increases for a traded issue, price decreases and vice versa. Charts prepared on a Yield basis appear exactly opposite of those prepared on a price basis.

YIELD SPREAD - The variation between Yields on different types of debt Securities; generally, a function of supply and demand, Credit Quality, and expected interest rate fluctuations. Treasury

Bonds, for example, because they are so safe, will normally Yield less than corporate Bonds. Yields may also differ on similar Securities with different Maturities. Long-term debt, for example, carries more risk of market changes and issuer defaults than short-term debt and thus usually Yields more.

ZERO-COUPON BONDS - Securities that do not pay interest but are instead sold at a deep Discount from Face Value. They rise in price as the Maturity date nears and are redeemed at Face Value upon Maturity.

The WRAP is now moving into its final phase, known as Phase 3B, consisting of the short-term funding of additional developmental work while FERC completes its review of the WRAP tariff, as well as long-term participation in the binding forward-showing and operational programs.

Should the District decide to participate in the short-term developmental portion of Phase 3B, the District must execute a Work Order as provided in the District's existing General Services Agreement with the Western Power Pool. This Work Order allows participants to continue funding the development of the WRAP beginning on January 1, 2023, and extending until FERC accepts the WRAP tariff. Through participation during this period the District will continue to influence program design and will continue to gather the information necessary to evaluate whether to proceed with the WRAP.

The Work Order includes a Non-Disclosure Agreement, protecting certain information that may be exchanged during Phase 3B, as well as a Memorandum of Understanding that lists the conditions that must be met before the District is able to participate in the binding forward-showing and operational programs.

District staff expects to discuss the binding forward-showing and operational programs, and the District's participation in those programs, with the Commission in Spring 2023.

List Attachments:

Resolution
Exhibit A

RESOLUTION NO. _____

A RESOLUTION Authorizing the CEO/General Manager or His Designee to Execute a Work Order With the Western Power Pool for Participation in Phase 3B of the Western Resource Adequacy Program Implementation

WHEREAS, members of the Western Power Pool (WPP) are continuing to develop a potential resource adequacy program for the western region of the United States and Canada, known as the Western Resource Adequacy Program (WRAP); and

WHEREAS, the WRAP is intended to allow the region to recognize and utilize the benefits of diverse loads and resources spread throughout the program's footprint, resulting in increased resource adequacy even during extreme situations; and

WHEREAS, staff have been actively engaged in development of the WRAP, including participating in the non-binding forward showing program, preparation of tariff documentation, and resolving outstanding issues related to the overall program; and

WHEREAS, the WPP has filed with the Federal Energy Regulatory Commission a tariff containing the planning and compliance framework that forms the basis of the WRAP and which will move the WRAP into the binding phase of its development, and the WPP is currently waiting for FERC to accept and approve the tariff; and

WHEREAS, the WPP intends to continue development of the WRAP while FERC conducts its review of the tariff, and intends to continue performing the activities and services necessary to prepare the WRAP for the binding phase; and

WHEREAS, staff recommend that the District enter into the Work Order Under General Services Agreement for Participation in Phase 3B of Western Resource Adequacy Program Implementation (Work Order) substantially in the form as attached hereto as

Exhibit A, and incorporated herein by this reference, providing for continued participation in the development of the WRAP; and

WHEREAS, the Board of Commissioners have reviewed the proposed Work Order Under General Services Agreement for Participation in Phase 3B of Western Resource Adequacy Program Implementation (Work Order) with the Western Power Pool and finds that it is in the best interest of the District and its ratepayers to participate in the continued development of the WRAP subject to the terms and conditions of the Work Order.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of Public Utility District No. 1 of Snohomish County, Washington, hereby authorizes the District's CEO/General Manager or his designee to execute the above-referenced Work Order Under General Services Agreement for Participation in Phase 3B of Western Resource Adequacy Program Implementation, substantially in the form as attached hereto, and to take any and all other actions necessary to implement the Work Order.

PASSED AND APPROVED this 20th day of December, 2022

President

Vice-President

Secretary

**WORK ORDER UNDER GENERAL SERVICES AGREEMENT
FOR PARTICIPATION IN PHASE 3B OF WESTERN RESOURCE ADEQUACY
PROGRAM IMPLEMENTATION**

This General Services Agreement Work Order (“Work Order” or “Agreement”) for the assistance of the WPP (as defined below) with the Western Resource Adequacy Program currently pending approval at the Federal Energy Regulatory Commission (“FERC”) is entered into pursuant to, and subject to the terms of, the General Services Agreements between the WPP and each of the Participants (as defined below). Any capitalized terms not defined in this Work Order have the meanings specified in the General Services Agreements.

RECITALS

- A.** The WPP and Participants wish to enter into this Work Order pursuant to, and subject to the terms of, the General Services Agreements, to establish the terms under which the WPP will provide services in connection with participation in the Phase 3B of the Western Resource Adequacy Program (“WRAP” or “Program”) (“the Project”), described in Exhibit A to the Work Order.
- B.** Participation in the Project for Phase 3B is open to Load Responsible Entities that (1) intend to participate in the WRAP under the WRAP Tariff submitted to FERC on August 31, 2022 in Docket No. ER22-2762, and that have signed the Memorandum of Understanding (“MOU”) (attached hereto as Exhibit E) so indicating; (2) agree to the terms and conditions of this Work Order, and (3) have signed both a General Services Agreement with the NWPP Corporation and a Phase 3B Nondisclosure Agreement, which will be substantially similar to the document attached as Exhibit D.
- C.** A “Load Responsible Entity” (“LRE”) is an entity that (i) owns, controls, and/or purchases capacity resources, or is a Federal Power Marketing Administration or a Canadian Power Marketing Entity, and (ii) has the obligation, either through statute, rule, contract, or otherwise, to meet energy or system loads at all hours. Notwithstanding (i) above, an LRE may also be any entity that is responsible for meeting all of the compliance obligations of the WRAP on behalf of one or more other entities by mutual agreement.
- D.** Throughout this document, references to Participant’s information (e.g. Participant’s load, Participant’s system, etc.) shall mean the information applicable to the LRE, including third party information, and is not intended to convey ownership, control, or any other specific relationship between the Participant and the underlying data element.
- E.** Nothing in this Work Order obligates a Participant to participate in phases of the Project beyond Phase 3B.

SPECIFIC TERMS OF WORK ORDER

1. **Parties**

The parties to this Work Order are the Northwest Power Pool, an Oregon nonprofit corporation, d/b/a Western Power Pool (“WPP”), and the “Participants,” which consist of the organizations listed in Exhibit C to this Work Order. Any one of the Participants or the WPP may be referred to individually in this Work Order as a “Party” and may be referred to collectively (or in subsets of two or more) as “Parties.” A new Participant may become a Party to this Work Order and be added to Exhibit C at any time after the Effective Date if the new Participant (1) is an LRE; (2) executes a General Services Agreement with the WPP; (3) signs the Phase 3B Nondisclosure Agreement; (4) signs the MOU attached as Exhibit E; and (5) signs this Work Order.

2. **Effective Date and Term**

This Work Order will be effective on January 1, 2023 (“Effective Date”), so long as Phase 3B is fully funded for an initial one-year term by December 16, 2022, as described in Exhibit B. If, however, Phase 3B is not fully funded for the initial one-year term by December 16, 2022, this Work Order will automatically terminate. In the event FERC approves the WRAP tariff and WRAP services begin operation under the FERC-jurisdictional tariff, this Work Order will automatically terminate. The initial term of this Work Order will be for one year unless it is automatically terminated under this Section 2 or is terminated pursuant to Section 7. In no event shall the term of this Work Order exceed four years from its Effective Date.

3. **Relationship of Work Order to General Services Agreements**

This Work Order supplements and is subject to the terms of the General Services Agreements, including, without limitation, the limitations of liability set forth in Section 7 of the General Services Agreements. Except as expressly stated otherwise in this Work Order, this Work Order does not modify any provisions of the General Services Agreements. In the event of a conflict between the General Services Agreements and this Work Order, the terms of this Work Order will prevail.

4. **Scope of Work; Description of Services**

4.1 **WPP Services and Scope of Work.** The services to be provided by the WPP pursuant to this Work Order are set forth in Exhibit A to this Work Order (“Phase 3B Scope of Work”); for purposes of the requirements of Section 3.1 of the General Services Agreements, Exhibit A constitutes the “Scope of Work” for this Work Order. In order to perform this Scope of Work, WPP will provide coordination and facilitation services, and has contracted

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with the Southwest Power Pool, Inc. (“SPP”) to provide Program Operator Services, as described in Exhibit A.

- 4.2 Modification of Exhibits A and B. The schedules, scope, and deliverables identified in Exhibit A may be modified at any time by the Resource Adequacy Participants Committee (“RAPC”) under the standard voting threshold established for that committee; provided, however, that any modification that increases the costs allocated to any Participant under this Work Order (and thus increases the costs identified and allocated to Participants in Exhibit B) requires the approval of each Party who would be allocated additional costs as a result of such modification. The RAPC will adopt voting processes using a house (based on the higher of a Participant’s summer or winter P50 load as a share of the sum of all non-coincident high-season Estimated P50 loads of Participants) and senate (one vote per Participant) approach where no proposal passes without 75% approval from both tallies; this voting threshold will remain in effect during Phase 3B unless alternate voting thresholds are adopted by RAPC. If at any time, a single Participant is responsible for more than 24% of the total non-coincident high-season P50 loads (creating an effective veto power at 25%), such entity’s house vote will be capped at 24%.
- 4.3 WPP Reliance on Participant Information; Use of Participant Information. Participants acknowledge that the WPP and SPP or any other entity that the WPP contracts with to provide Program Operator Services (“Program Operator”) have no control over the accuracy of information supplied by the Participants as part of Phase 3B under this Work Order. Neither the WPP nor Program Operator will have any liability for any inaccuracy (or any errors caused by any inaccuracy) of information supplied by the Phase 3B Participants to the WPP or Program Operator under this Work Order. In addition, to the extent the WPP or Program Operator use or otherwise rely on information developed or supplied by third parties in connection with work under this Work Order, the WPP and Program Operator will make commercially reasonable efforts to verify that such third-party information is accurate and up-to-date, but will have no liability for any inaccuracy (or any errors caused by any inaccuracy) of third-party information. Moreover, WPP has no control over the timeliness of information supplied by the Participants as part of Phase 3B efforts. Neither the WPP nor Program Operator will have any liability for a slippage of any timelines identified in Exhibit A, nor for any failure to complete the Scope of Work identified in Exhibit A, as the result of the failure by any Participant(s) to provide information that is reasonably necessary for the timely completion of such work.
- 4.4 Standards of Performance Applicable to the WPP; Exclusive Remedies. The NWPP Corporation will make commercially reasonable efforts to perform

work under this Work Order in a manner that is satisfactory to the Participants, consistent with the WPP's obligations under Section 3.1 and Section 8 of the General Services Agreements. In the event Participants determine at any time that any portion of WPP's work under this Work Order is unsatisfactory, the Participants may, if approved by a vote of the RAPC under the standard voting threshold established for the RAPC, (a) suspend the WPP's performance under this Work Order, or (b) terminate this Work Order by delivering to the WPP written notice of termination, which will be effective upon delivery or such later date as may be specified in the notice of termination. The remedies set forth in this Section 4.4 of this Work Order, together with the remedies set forth in Section 7.2 of the General Services Agreements, are the exclusive remedies available to the Participants for any breach or alleged breach of this Work Order by the WPP.

5. Compensation to the WPP

- 5.1 WPP Compensation. The compensation to be paid to the WPP for services under this Work Order is reflected in Exhibit B.
- 5.2 Invoicing. The WPP will invoice each Participant for its share of the costs of services provided under this Work Order as described in Exhibit B. Exhibit B provides in part that costs and charges under this Work Order shall be determined and assessed the same manner as WRAP Tariff Schedule 1 will provide for WRAP costs and charges when the WRAP Tariff becomes effective. In the event FERC accepts the WRAP Tariff, WPP shall take account of payments received under this Work Order as necessary to prevent overpayment or double-recovery of costs to be recovered under WRAP Tariff Schedule 1 at such time as charges are assessed under WRAP Tariff Schedule 1.
- 5.3 FERC Jurisdiction. Nothing in the Parties' agreement to rely on WRAP Tariff Schedule 1 as a model for determination and recovery of Phase 3B administrative costs prior to the date the WRAP Tariff becomes effective shall be deemed a concession, agreement, or acknowledgement by any Party that the Project or any activity conducted by any Party under the Scope of Work, or the determination of costs thereof or charges therefor, is subject to FERC jurisdiction under the Federal Power Act or otherwise.

6. Notices

Any formal notice or other communication required or permitted under this Work Order will be deemed properly given if submitted in writing and delivered in person, delivered to a nationally recognized overnight courier service properly addressed and with delivery charges prepaid, or delivered to the United States Postal Service properly addressed and with proper postage prepaid, at the

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address(es) listed in Exhibit C. Routine communications concerning the administrative services provided under this Work Order may be delivered by electronic mail.

7. **Termination and Survival**

7.1 Termination Provisions. This Work Order may be terminated before the date on which it would otherwise expire under Section 2 by written agreement of all Parties. Any individual Participant may terminate its participation in accordance with Section 10 of this Work Order. This Work Order may also be terminated by the WPP in the event the principal purpose of this Work Order is substantially frustrated due to circumstances outside the WPP's control, or in the event the WPP is rendered unable to perform its obligations under this Work Order due to actions or nonperformance of any group of Participants or of the WPP's subcontractor(s), or if WPP determines, in its discretion, that compensation received under Exhibit B is insufficient to support the continued provision of services under this Work Order.

7.2 Survival of Obligations Under Work Order. Upon any expiration or termination of this Work Order, any obligations or liabilities incurred by the WPP in connection with this Work Order, including but not limited to liabilities incurred with subcontractors to perform work required by this Work Order, will survive until fully satisfied or discharged, and all limitations of liability provided in this Work Order will survive until all statutes of limitation related to claims that could be made in connection with this Work Order have run.

7.3 Effect of Termination of General Services Agreements. If the General Services Agreement between the NWPP Corporation and a Party are terminated, then all provisions of the General Services Agreement that survive such termination in accordance with Section 1.6 of the General Services Agreement will be deemed to survive with respect to this Work Order until its expiration or termination; *provided, however*, that nothing in this Section 7.3 of this Work Order will limit the meaning or effect of Section 7.2 of this Work Order.

8. **DISCLAIMER OF WARRANTY**

EXCEPT AS PROVIDED IN SECTION 4.4, THE WPP MAKES NO WARRANTIES OR GUARANTEES, EXPRESS OR IMPLIED, RELATING TO THE WORK, AND THE WPP EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES (WHETHER IMPLIED, IMPOSED BY LAW, OR OTHERWISE), INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

The combined terms of Section 4.4 and this Section 8 govern, modify, and
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supersede any other terms in this Work Order or the General Services Agreement or other matters, including course of conduct, that may be construed to address warranties or guarantees or the quality of the services provided under this Work Order. The provisions of Section 4.4 and this Section 8 expressly modify the terms of Section 5 of the General Services Agreements with respect to the Work. If there is any conflict between the terms of Section 4.4 and this Section 8 of this Work Order and any provision of the General Services Agreements (including, without limitation, Section 5 of the General Services Agreements), the terms of this Work Order will control.

9. No Rights Against Third Parties; Release of Liability; Covenant Not to Sue

Each Participant agrees that this Work Order does not and is not intended to confer any rights, remedies, or obligations upon any Person other than the Parties to this Work Order. Each Participant further agrees that such Participant's exclusive rights and remedies under this Work Order are limited to those identified in this Work Order and Section 7 of the General Service Agreements. To the extent this Work Order may nevertheless be construed to confer third-party beneficiary status on any Participant(s) with respect to any agreements between WPP and Program Operator related to the performance of work under this Work Order, each such Participant irrevocably releases Program Operator from, and covenants not to sue Program Operator with respect to, any damages, losses, liability, claims, demands, remedies, and causes of action of any kind whatsoever (collectively, "Claims") arising from any action or failure to act by the Program Operator in connection with this Work Order. The foregoing release and covenant not to sue includes all Claims based on corporate law, tort, tortious course of conduct, contract, obligations of "good faith," public policy, common law, equity, or any other legal theory and applies to all actual, direct, special, punitive, exemplary, consequential, incidental, and indirect losses and damages, including those based on lost or prospective profits, inaccurate, damaged, lost, or incomplete data, expenses, fines, penalties, interest, assessments, judgments, attorneys' and investigative fees and costs, and all other equitable, compensatory, or punitive relief.

10. Confidentiality and Compelled Disclosure

10.1 The Parties intend to carefully safeguard the Commercially Sensitive Data of individual Participants shared in connection with participation in Phase 3B. For purposes of this section, "Commercially Sensitive Data" means individual Participants' purchase and sale transactions, transmission contract and reservation data, resource accreditation, load forecast, resource performance and other information that may be indicative of an individual Participant's Resource Adequacy position and/or its existing or future commercial activity, unless the information is otherwise publicly available.

- 10.2 As a condition of eligibility for services under this Work Order, Parties have agreed to sign a Phase 3B Nondisclosure Agreement intended to protect such data from disclosure. During Phase 3B, only WPP and the Program Operator will have access to Commercially Sensitive Data. The Phase 3B Nondisclosure Agreement requires the WPP and the Program Operator to provide prompt notice to Phase 3B Participants and the RAPC of any request by any entity, including but not limited to any court, regulatory body, or governmental entity, seeking disclosure of Commercially Sensitive Data. It requires the WPP and the Program Operator to take steps to defend Commercially Sensitive Data from compelled disclosure.
- 10.3 In the event a Participant's Commercially Sensitive Data remains subject to compelled disclosure despite the provisions in the Phase 3B Nondisclosure Agreement intended to protect Participants' Commercially Sensitive Data from compelled disclosure, that Participant may terminate its participation under this Work Order. A Participant that terminates its participation under this Section 10 will continue to be responsible for funding its share of costs under this Work Order but will no longer be obligated to participate in Phase 3B activities.

11. Integration

This Work Order (including all referenced Exhibits), together with the terms of the General Services Agreements, sets forth the entire agreement of the Parties with respect to its subject matter and there are no agreements, understandings, representations, or warranties among the Parties with respect to the subject matter of this Work Order other than those set forth or referred to in this Work Order.

12. Governing Law

This Work Order shall be interpreted, construed and enforced in accordance with the laws of the State of Oregon; provided that this Work Order shall, with respect to a Party that is a U.S. government entity, be interpreted, construed and enforced in accordance with the laws of the United States.

13. Signatures; Counterparts

Each Party represents that the person executing this Work Order on its behalf has the requisite power and necessary authorization to do so, and that when so executed, this Work Order will constitute a binding obligation of the executing Party. For the convenience of the Parties, this Work Order may be executed in any number of counterparts, including by electronic signature, each such counterpart being deemed to be an original instrument, and all such counterparts together constituting the same agreement.

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SIGNATURES

IN WITNESS WHEREOF, each Party represents it has authority to execute this Work Order.

Northwest Power Pool, d/b/a Western
Power Pool

_____ Company

By: _____

By: _____

Sarah Edmonds
Name

_____ Name

Chief Executive Officer
Title

_____ Title

_____ Date

_____ Date

EXHIBIT A
PHASE 3B SCOPE OF WORK

A. Phase 3B Overview

1. Phase 3B of the Project is intended to continue Phase 3A of the Western Resource Adequacy Program (“WRAP” or “Program”), and to provide a seamless transition to the implementation of the WRAP Tariff.
2. Phase 3B activities will be performed consistent with the WRAP Tariff to the extent possible, with reasonable accommodations made to allow for other implementation and stand-up activities recommended by the PA/PO in consultation with the RAPC.
3. As in Phase 3A, Phase 3B activities will be strictly non-binding and informational in nature (no penalties will be levied).
4. During Phase 3B, a Participant will have the right to representation on the RAPC. The RAPC will be the decision-making body with respect to Phase 3B Program activities and will continue to operate in the manner established during Phase 3A.

B. Data Submission and Deliverables

1. **Participant Provision of Data.** The Program Operator will endeavor to provide deliverables under the 3B Scope of Work under the timeline in this Exhibit A or modified timelines. The accuracy of those deliverables and the feasibility of those timelines, however, require Participants to provide accurate data within timeframes that make the program timelines workable. Information on data requirements is described below.
2. **Dates and Deliverables in Exhibit A.** Dates in this Exhibit A are based on current assumptions and subject to modification after notice and discussion with RAPC.

For example, the timelines in this Exhibit A assume a Program footprint substantially similar to the footprint in Phase 3A (both geography and load). Exclusion of previously participating load, or inclusion of new load, may require changes to this timeline. RAPC and the PA/PO will work together to determine appropriate adaptations to the schedule and approach when the actual footprint is known.

Modeling was completed during Phase 3A for Winter 2023-2024 and Summer 2024. Due to time constraints and the non-binding nature of the program during these seasons, further modeling on these time horizons is planned to be minimal. If the footprint of the program changes dramatically for the next phase, this assumption may need to be revisited.
3. **Updates to Exhibit A.** If Phase 3B extends beyond one year, the PA/PO will work together to provide additional dates and deliverables under this Work Order/Exhibit A after consultation with RAPC.

	Winter 2023-2024	Summer 2024	Winter 2024-2025	Summer 2025	Winter 2025-2026	Summer 2026
PO issues data request			December 1, 2022	December 1, 2022	December 1, 2022	December 1, 2023
Data due to PO for Annual Assessment			January 31, 2023	January 31, 2023	May 31, 2023	January 31, 2024
Participant provide known resource changes					September 30, 2023	
Annual Assessment complete	Completed in 3A	Completed in 3A	July 31, 2023	November 30, 2023	March 31, 2024	October 31, 2024
Forward Showing due	May 27, 2023	October 31, 2023	March 31, 2024	October 31, 2024	March 31, 2025	October 31, 2025
Season	November 1, 2023 – March 15, 2024	June 1, 2024 – September 15, 2024	November 1, 2024 – March 15, 2025	June 1, 2025 – September 15, 2025	November 1, 2025 – March 15, 2026	June 1, 2026 – September 15, 2026

**Gray shading denotes activities outside of the 2023 scope of work – estimates provided for reference.*

Operations Program Activities and Timeline

Responsible Party	Activity	From Date/To Date
SPP	Publish Final Participant Input Specifications	TBD
SPP	Publish Business Validation and User Interface Guides, if applicable	TBD
Participants	Develop business procedures, automated systems and flat files required for data submissions	Ongoing through 2023
Participants	Participant create RMS tickets for Registration	01/02/2023 – 04/17/2023
SPP / Participants	Participant Training for Ops	04/10/2023-05/05/2023
SPP / Participants	Ops Program Trials	06/01/2023-10/31/2023
SPP / Participants	Ops Program Trials - Connectivity Testing	06/05/2023-06/30/2023
SPP / Participants	Ops Program Trials - Structured/Unstructured Testing and Data Exchange	07/03/2023-08/14/2023
SPP / Participants	Begin Winter 2023-24 Non-Binding Ops Program	11/01/2023

EXHIBIT B
COMPENSATION AND INVOICING

Work Order Effective Only if Phase 3B Is Fully Funded

Section 2 of the Work Order states that the Work Order will be effective on January 1, 2023 (“Effective Date”), so long as Phase 3B is fully funded for an initial one-year term by December 16, 2022. “Fully funded” means that WPP has determined in its sole discretion that Participant payments under the Work Order are sufficient to cover the Phase 3B budget for one year.

Agreement to Employ Cost Recovery Method Set Forth in WRAP Tariff, Schedule 1 as Template for Recovery of Phase 3B Costs Under this Work Order

In recognition of the Participants’ prior unanimous support, through vote of the Resource Adequacy Participants Committee in August 2022, for the WRAP Tariff, Schedule 1, and to facilitate a seamless transition to the expected and mutually desired implementation of the WRAP Tariff, the Parties have agreed to adopt for recovery of WPP’s Phase 3B costs under this Work Order the same terms and conditions set forth in WRAP Tariff Schedule 1 for recovery of WRAP costs following the effective date of the WRAP Tariff. In adopting these provisions, the Parties intend that if this Work Order is terminated in accordance with Section 2 of the Work Order by commencement of services under the WRAP Tariff, the charges under this Exhibit B shall be the same as those as would have been assessed under WRAP Tariff Schedule 1 if WRAP Tariff Schedule 1 had become effective on January 1, 2023. To that end, WPP shall interpret and apply WRAP Tariff Schedule 1, to the extent reasonably permitted by WRAP Tariff Schedule 1, in a manner that assesses charges consistent with the above-expressed intent; and, to the extent WRAP Tariff Schedule 1 is not reasonably susceptible of such an interpretation, WPP shall refund amounts paid by a Participant under this Exhibit B as determined necessary and appropriate by WPP, to place such Participant in approximately the same position it would have been in had Tariff, Schedule 1 been in effect as of January 1, 2023. The Parties agree and accept that WPP may take account of cash flow concerns and expected obligations when establishing the timing of any such refund payments. Subject to those intentions and agreements, the agreed terms and conditions for cost determination and recovery, closely modeled on those set forth in WRAP Tariff Schedule 1, are as follows:

The Western Power Pool’s Costs of administering and operating the Western Resource Adequacy Program including, without limitation, all costs incurred or obligated by WPP as Program Administrator, all costs paid or payable by WPP to the Program Operator or other service providers, all costs of the Board of Directors in directing, supervising, or overseeing the WRAP, and the costs of maintaining a reasonable reserve as provided in Section 1 of this Schedule 1, shall be recovered from Participants pursuant to the charges set forth in this Schedule 1.

Section 1. WRAP Costs

1. As used herein, Costs shall mean WPP’s costs, expenses, disbursements and other amounts incurred (whether paid or accrued) or obligated of administering and operating the WRAP as described above, including, without limitation, operating

expenses, general and administrative expenses, costs of outside services, taxes, fees, capital costs, depreciation expense, interest expense, working capital expense, any costs of funds or other financing costs, and the costs of a reasonable reserve as provided herein.

2. The Costs included in a WRAP Administration Charge assessed for a Month shall be the Costs determined as being incurred for that Month, including, without limitation, for each Month, one-twelfth of any annual charge(s).
3. The Costs included in the WRAP Administration Charge for a reasonable reserve shall be those designed to establish over the first twelve months that this WRAP Administration charge is in effect an amount equal to 6% of the expected Costs, exclusive of such reserve, for one year; and to maintain such reserve thereafter at an amount equal to 6% of the expected Costs, exclusive of such reserve for the then-current year. WPP shall record on its income statement deferred regulatory expense, and WPP's balance sheet will reflect as a cumulative deferred regulatory liability, revenues collected under this Schedule 1 that are in excess of the Costs exclusive of such reserve and taking account of and including any accrued tax expense effects of this regulatory liability. The deferred regulatory liability will be reduced when after-tax WPP revenues collected under this Schedule 1 during any Month are less than the Costs exclusive of such reserve. Within thirty days after the end of each Year, to the extent WPP determines that the deferred regulatory liability exceeds 6% of WPP's revenues that were collected under this Schedule 1 during such Year, such excess amounts in the deferred regulatory liability shall be refunded evenly over the applicable billing determinant volumes in the remainder of the subsequent Year through credits to charges to then-current customers under this Schedule 1.

Section 2. WRAP Administration Charge

Each Participant shall be assessed each Month a WRAP Administration Charge equal to the sum of the Base Charge and the Load Charge,

where:

The Base Charge for each Participant equals the Base Costs divided by the number of Participants being assessed the Base Charge for the Month for which the WRAP Administration Charge is being calculated;

The Load Charge for each Participant equals the Load Charge Rate of the Load Services Costs divided by the sum of the Median Monthly P50 Peak Loads of the Participants being assessed the Load Charge for the Month for which the WRAP Administration Charge is being calculated, times that Participant's Median Monthly P50 Peak Load;

And where:

Base Costs means the Costs for the Month of the Base Services Cost Centers shown in the WRAP Cost Assignment Matrix, plus the Base Services Percentage times the Costs for that Month of the Dual Benefit Cost Centers shown below in Section 4: WRAP Cost Assignment Matrix;

Load Services Costs means the Costs for the Month of the Load Services Cost Centers shown in the WRAP Cost Assignment Matrix, plus the Load Services Percentage times the Costs for that Month of the Dual Benefit Cost Centers shown in the WRAP Cost Assignment Matrix; and

Median Monthly P50 Peak Loads means, for each Participant, the median of the Monthly P50 Peak Loads used in the FS Capacity Requirement of such Participant for two Binding Seasons corresponding to the two FS Submittal most recently validated by WPP.

If before or during a Binding Season, a Participant has need to update their Monthly P50 Peak Load for allowable reasons, those updated Monthly P50 Peak Loads will be replaced and the Median Monthly P50 Peak Load value recalculated upon validation of the change in participating load.

A Participant joining the Program will supply data such that WPP can validate Monthly P50 Peak Loads for the first two Binding Seasons for which the Participant will submit an FS Submittal for use in calculating Load Services Costs until these FS Submittals are submitted and reviewed in the normal timeframe.

Section 3. Maximum Charge Rates

- 3.1 Notwithstanding anything to the contrary in this Schedule 1, the sum of the Base Charges for all Months in a Year shall not exceed the Annual Maximum Base Charge of \$59,000/Year, and the sum of the Load Charge Rates for all Months in a Year shall not exceed the Annual Maximum Load Charge Rate of \$199/MW. WPP shall, to the extent reasonably practicable, provide two-months' notice prior to WPP's filing at FERC of an application to change the Maximum Base Charge or the Maximum Load Charge Rate, provided that nothing herein shall limit the Board of Director's authority and discretion to seek at FERC a change in the maximum rates in the time and manner the Board determines in the best interests of the Western Resource Adequacy Program. For purposes of clarity, these specified maximum rates on the Base Charge and the Load Charge do not limit the level of the Cash Working Capital Support Charge established under Section 5 of this Schedule 1, nor do they limit the amount of the default Allocation assessment provided under Part I of this Tariff.
- 3.2 To facilitate Participant planning, the WPP shall prepare, and provide to the RAPC, good faith, non-binding estimates of: (i) reasonably anticipated WRAP budgets for three Years beyond the most recently approved WRAP budget, including

sensitivity analyses for reasonably identified major contingencies; (ii) reasonably anticipated numbers of Participants and MWs of Winter and Summer P50 Loads for each such Year; and (iii) reasonably anticipated highest monthly Base Charges and Load Charge Rates for each such Year. All assumptions and estimates in such forecasts and analyses shall be in WPP’s sole discretion, which may be informed by RAPC discussion of such topics.

Section 4. WRAP Cost Assignment Matrix

	BASE COSTS	LOAD COSTS	DUAL BENEFIT
Program Administration (non-participant)		100%	
Program Administration (Participant engagement, RAPC facilitation)	100%		
WRAP portion of WPP BOD costs			50%/50%
Program Operations Staffing and Overhead		100%	
Program Operations Technology		100%	
Legal Services		100%	
Independent Evaluator		100%	

Section 5. Cash Working Capital Support Charge

- 5.1 In addition to the WRAP Administration Charge, each Participant shall be assessed a Cash Working Capital Support Charge, to support WPP’s maintenance of sufficient funds on hand to make payments required for the operation and administration of the WRAP on a timely basis. Cash Working Capital Support Charges shall be designed to maintain a Cash Working Capital Fund that, at its maximum level over a twelve-month cycle, equals approximately nine-twelfths of the expected annual payment due from the WPP to the Program Operator for its Program Operator services.
- 5.2 A Participant shall pay a Cash Working Capital Support Charge no later than thirty days after that Participant executes this Work Order. The Cash Working Capital Support Charge due following Work Order execution equals the Cash Working Capital Support Charge Rate, calculated as the Cash Working Capital Fund at its required maximum twelve-month cycle level divided by the sum of the Median Monthly P50 Peak Loads of all Participants, times that Participant’s Median Monthly P50 Peak Load.
- 5.3 To the extent the Cash Working Capital Fund is adequately funded at the time a new Participant executes a Work Order, the revenue from such Participant’s

payment of the Cash Working Capital Support Charge shall be distributed to all Participants that previously have paid a Cash Working Capital Support Charge, pro rata based on the Median Monthly P50 Peak Loads of all Participants that have previously paid such charge.

- 5.4 To the extent, and at such time, WPP determines that an incremental addition to the Cash Working Capital Fund is needed due to such causes as, for example, an expected increase in the annual payment to the Program Operator, each Participant shall be assessed an Incremental Cash Working Capital Support Charge equal to the desired incremental addition, divided by the sum of the Median Monthly P50 Peak Loads of all Participants being assessed the Incremental Cash Working Capital Support Charge for the Month for which the Incremental Cash Working Capital Support Charge is being calculated, times that Participant's Median Monthly P50 Peak Load.

**EXHIBIT C
LIST OF PARTIES AND CONTACT INFORMATION**

Point of contact for any notices or communications for this Agreement.

Western Power Pool

Northwest Power Pool, d/b/a Western Power Pool
Company

Sarah Edmonds
Name

President and CEO
Title

Sarah.Edmonds@westernpowerpool.org
Email

XXXXXXXXXX
Phone Number

7525 NE Ambassador Place, Suite M
Portland, Oregon, 97220
Mailing Address

Participants

Company

Name

Title

Email

Phone Number

Mailing Address

EXHIBIT D
PHASE 3B NONDISCLOSURE AGREEMENT FOR
WESTERN RESOURCE ADEQUACY PROGRAM IMPLEMENTATION

This Phase 3B Nondisclosure Agreement (the “Agreement”), effective as of _____, 2022 (the “Effective Date”), is entered into by and among the Northwest Power Pool, d/b/a Western Power Pool (“WPP”), an Oregon nonprofit corporation; Southwest Power Pool, Inc. (“SPP”) an Arkansas nonprofit corporation; certain Representatives (as defined below) of WPP and SPP; and Participants, which consist of the organizations listed in Exhibit A to this Work Order (collectively, the “Parties”).

WHEREAS Participants intend to enter into a Work Order with WPP for Participation in Phase 3B of the Western Resource Adequacy Program (“WRAP”) implementation (the “Project”) being facilitated by WPP; the Work Order contains a Phase 3B Scope of Work;

WHEREAS during Phase 3B of the Project, WPP will provide facilitation and coordination services as Program Administrator, and has contracted with SPP to serve as Program Operator for modeling assistance, technical assistance, and additional assistance with Project implementation;

WHEREAS, in connection with efforts to complete the workstreams identified in the Phase 3B Scope of Work, each Participant desires that certain Confidential Participant Information (as defined below) be shared with SPP that is non-public, confidential or proprietary in nature to allow SPP to perform its role as Program Operator under the Phase 3B Scope of Work, and desires that SPP hold that information confidential;

WHEREAS, in connection with efforts to complete the workstreams identified in the Phase 3B Scope of Work, each Participant desires that WPP have access to certain Confidential Participant Information that is non-public, confidential or proprietary in nature to allow WPP to complete its role as Program Administrator during Phase 3B, and desires that WPP hold that information confidential;

WHEREAS, the Parties desire to share among themselves, but only as expressly authorized in this Agreement, certain Confidential Aggregated Output (as defined below) related to the Phase 3B Scope of Work that is non-public, confidential or proprietary in nature, and desire that this information be shared among the Parties but otherwise be kept confidential;

NOW, THEREFORE, in consideration of the mutual covenants, terms, and conditions set forth herein, the Parties agree as follows:

I. CONFIDENTIAL PARTICIPANT INFORMATION

A. Confidential Participant Information. Except as set forth in Section I.F, below, “Confidential Participant Information” means all non-public, confidential, or proprietary information related to the Phase 3B Scope of Work that is disclosed or caused to be disclosed before or after the Effective Date, by a Participant (a “Disclosing Party”) to SPP, WPP, or their employees, officers, directors, attorneys, contractors, or accountants (“Representatives”), whether disclosed orally or disclosed or accessed in written, electronic, or other form or media, and that the Disclosing Party either:

1. Clearly designates as “confidential” prior to furnishing it to SPP or WPP;
or

2. In the case of oral disclosure, clearly identifies (orally) that the communication is “confidential.”

“Confidential Participant Information” also includes the conclusions, findings, and other output of modeling, and/or data analysis performed by SPP or WPP related to the Phase 3B Scope of Work; such conclusions, findings, and other output shall be referred to as “Confidential Non-Aggregated Administrator Output,” with the exception of output that is aggregated such that it reveals no data or information specific to any individual Participant, which shall be treated as “Confidential Aggregated Output Information” consistent with Section II.

B. Examples of Confidential Participant Information. Confidential Participant Information may include, but is not limited to, information pertaining to:

1. Individual commercial transactions, purchases and sales regardless of type, resource adequacy transfers and other bilaterally negotiated transactions necessary for SPP to assess a resource position;
2. Net contract qualifying capacity contribution (“QCC”);
3. Inputs to the storage hydro methodology necessary to confirm resulting QCC;
4. Portfolio QCC;
5. Forecasted unit outages;
6. Forced outages;
7. Transmission service agreements or other information indicating how an individual resource will be delivered to load;
8. Resource registration information which may include resource type, nameplate, historical forced outage data, fuel type;
9. Individual resource QCC;
10. Transmission rights;
11. Load forecast;
12. Variable energy resource (“VER”) forecast;
13. Contingency reserve forecast;
14. Actual contingency reserves;
15. Transmission constraint information not otherwise made publicly available through a transmission service provider’s OASIS node;
16. Per-participant holdback;
17. Per-participant delivered energy;
18. Per-participant non-delivered energy;
19. Actual load;
20. Actual generation by resources.

- C. Obligations. With respect to Confidential Participant Information, SPP and WPP shall:
1. Protect and safeguard the confidentiality of all such Confidential Participant Information with at least the same degree of care as SPP and WPP would protect their own non-public, confidential, or proprietary information, but in no event with less than a commercially reasonable degree of care;
 2. Not use the Disclosing Party's Confidential Participant Information, or permit it to be accessed or used, for any purpose other than the Phase 3B Scope of Work;
 3. Immediately notify in writing the Disclosing Party of any unauthorized disclosure or use of the Disclosing Party's Confidential Participant Information;
 4. Not disclose any such Confidential Participant Information to any person or entity, except to their Representatives who:
 - a. Need to know the Confidential Participant Information to assist SPP or WPP, or act on their behalf, in relation to the Phase 3B Scope of Work or to exercise their rights under the Agreement; and
 - b. Are informed by SPP or WPP of the confidential nature of the Confidential Participant Information; and
 5. Ensure their Representatives comply with the obligations in this Section I.C;
 6. Be responsible for a disclosure of Confidential Participant Information by their Representatives that is restricted by this Agreement.
- D. SPP's and WPP's Authority to Disclose Confidential Participant Information to One Another. Notwithstanding Section I.C of this Agreement:
1. SPP is authorized to share the data identified in Sections I.B(8)-(20) with WPP but will not share any other Confidential Participant Information it receives during Phase 3B with WPP.
 2. The WPP is authorized to share with SPP any Confidential Participant Information it receives during Phase 3B.
 3. SPP and WPP will ensure that Confidential Participant Information is shared with one another only through a secure means of communication such as encrypted electronic mail or secure website enabling file transfers.
- E. Participant Access to Its Own Participant-Specific Output Data. Nothing in this Agreement shall prevent SPP or WPP from sharing Confidential Non-Aggregated Administrator Output specific to a particular Participant with that Participant upon request; provided, however, that SPP and WPP shall ensure that sharing such Phase 3B Administrator Output will not reveal Confidential Participant Information provided by any other Participant.
- F. Exclusions from Confidential Participant Information. Except as required by applicable federal, state, provincial, or local law or regulation, the term "Confidential Participant Information" as used in this Agreement shall not include information that:

1. At the time of disclosure is, or thereafter becomes, generally available to and known by the public other than as a result of, directly or indirectly, any violation of this Agreement by a Party or any of its Representatives;
2. At the time of disclosure is, or thereafter becomes, available to SPP or WPP on a non-confidential basis from a third-party source;
3. Was known by or in the possession of SPP, WPP, or their Representatives prior to being disclosed by or on behalf of the Disclosing Party pursuant to this Agreement, or subsequently becomes known by or in the possession of SPP, WPP, or their Representatives pursuant to the terms and conditions of a separate agreement between Disclosing Party and SPP, WPP, or their Representatives, provided such use is in accordance with the terms and conditions of any such separate agreement; or
4. Was or is independently developed by SPP, WPP, or their Representatives without reference to or use of, in whole or in part, any of the Disclosing Party's Confidential Participant Information.

G. Compelled Disclosure. Any disclosure by SPP or WPP of a Disclosing Party's Confidential Participant Information pursuant to applicable federal law, state or provincial law, local law, regulation, or a valid order or other data request issued by, or in a proceeding before, a court or governmental agency of competent jurisdiction (a "Compelled Disclosure") shall be subject to the terms of this Section. To the extent reasonably practical and not restricted by law, SPP and/or WPP (whichever is applicable) shall provide the Disclosing Party with:

1. Prompt written notice of such Compelled Disclosure so that the Disclosing Party may seek, at its sole cost and expense, or with the assistance of the Resource Adequacy Participant Committee ("RAPC") at the RAPC's discretion, a protective order or other remedy; and
2. Reasonable assistance, at the Disclosing Party's sole cost and expense, or with the assistance of the RAPC at the RAPC's discretion, in opposing such disclosure or seeking a protective order or other limitations on disclosure.

If, after providing notice and assistance as required herein, SPP or WPP remains subject to a Compelled Disclosure to disclose any Confidential Participant Information, SPP or WPP (or their Representatives or other persons to whom such Compelled Disclosure is directed) shall disclose no more than that portion of the Confidential Participant Information that such Compelled Disclosure specifically requires SPP or WPP to disclose. Neither SPP, WPP, nor their Representatives shall be in breach of this Agreement or liable to Disclosing Party for any disclosure made pursuant to this Section I.G (Compelled Disclosure).

H. Destruction of Confidential Participant Information. At any time during or after the term of this Agreement, at the Disclosing Party's written request, SPP and/or WPP (as applicable) shall, to the extent allowed by law, promptly destroy all copies, whether in written, electronic, or other form or media, of the Disclosing Party's Confidential Participant Information, and certify in writing to the Disclosing Party that such Confidential Participant Information has been destroyed; provided, however, that SPP and WPP may keep copies of the Confidential Participant Information for legal compliance, systematic backup, or archival purposes, and will hold such copies subject to the terms of this Agreement.

Exhibit D to General Services Agreement Individual Work Order for Phase 3B Participation

- I. Whistleblower Protection Enhancement Act of 2012. To ensure compliance with requirements for federal entities, the following language is included in this Agreement consistent with the Whistleblower Protection Enhancement Act of 2012 (5 U.S.C. § 2302(b)(13)(A)):

The provisions of this Agreement are consistent with and do not supersede, conflict with, or otherwise alter the employee obligations, rights, or liabilities created by existing statute or Executive order relating to (1) classified information, (2) communications to Congress, (3) the reporting to an Inspector General or the Office of Special Counsel of a violation of any law, rule, or regulation, or mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety, or (4) any other whistleblower protection. The definitions, requirements, obligations, rights, sanctions, and liabilities created by controlling Executive orders and statutory provisions are incorporated into this agreement and are controlling.

- J. No Representations or Warranties. Neither the Disclosing Party nor any of its Representatives make any representation or warranty, expressed or implied, as to the accuracy or completeness of the Confidential Participant Information disclosed to SPP or WPP hereunder. Neither the Disclosing Party nor any of its Representatives shall be liable to SPP, WPP, or any of their Representatives relating to or resulting from SPP's or WPP's use of any of the Confidential Participant Information or any errors therein or omissions therefrom.
- K. No Transfer of Rights, Title or Interest. Each Party hereby retains its entire right, title, and interest, including all intellectual property rights, in and to all of its Confidential Participant Information. Any disclosure of such Confidential Participant Information hereunder shall not be construed as an assignment, grant, option, license, or other transfer of any such right, title, or interest whatsoever to SPP, WPP, or their Representatives.

II. CONFIDENTIAL AGGREGATED OUTPUT INFORMATION

- A. Confidential Aggregated Output Information. Except as set forth in Section II.E, below, "Confidential Aggregated Output Information" means output generated by SPP or WPP that has been aggregated in such a manner as to anonymize the data.
- B. Examples of Confidential Aggregated Output Information. Confidential Aggregated Output Information may include, but is not limited to, the following types of information in aggregated format:
1. Results of assessment and validation or the formula for the calculation of the day ahead sharing requirements of all Participants;
 2. Method for calculating uncertainty;
 3. Number of days that day-ahead sharing was calculated to be needed/identified and would have been implemented in real time;
 4. Impact of uncertainty to the results of the calculated day-ahead sharing requirements, both day-ahead and hour-ahead;
 5. Results of risk assessment of the day ahead release of hold back surplus capacity requirement;

6. Conclusions regarding the need for additional safety margin;
 7. Conclusions regarding the value of a multi-day ahead calculation and assessment;
 8. Conclusions regarding feasibility and benefits of various options developed by SPP for optimizing hold back surplus capacity requirement;
 9. Conclusions regarding feasibility and benefits of other options for optimizing hold back surplus capacity requirement;
 10. Conclusions regarding the complexity of deliverability;
 11. Identification of unintended consequences or issues in need of resolution.
- C. SPP and WPP Obligations. SPP and WPP may share Confidential Aggregated Output Information with other Parties to this Agreement (“Recipients”) but will otherwise treat the information in the same manner that they treat Confidential Participant Information.
- D. Recipient Obligations. Each Recipient receiving Confidential Aggregated Output Information shall:
1. Protect and safeguard the confidentiality of all such Confidential Aggregated Output Information with at least the same degree of care as the Recipient would protect its own non-public, confidential, or proprietary information, but in no event with less than a commercially reasonable degree of care;
 2. Not use the Confidential Aggregated Output Information, or permit it to be accessed or used, for any purpose other than the Phase 3B Scope of Work;
 3. Immediately notify the Parties in writing of any unauthorized disclosure or use of Confidential Aggregated Output Information;
 4. Not disclose any such Confidential Aggregated Output Information to any person or entity, except to the Recipient’s Representatives who:
 - a. Need to know the Confidential Aggregated Output Information to assist the Recipient, or act on its behalf, in relation to the Phase 3B Scope of Work or to exercise its rights under the Agreement; and
 - b. Are informed by the Recipient of the confidential nature of the Confidential Aggregated Output Information; and
 5. Be responsible for a disclosure of Confidential Aggregated Output Information by its Representatives that is restricted by this Agreement.
- E. Exclusions from Confidential Aggregated Output Information. Except as required by applicable federal, state, provincial, or local law or regulation, the term “Confidential Aggregated Output Information” as used in this Agreement shall not include information that:
1. At the time of disclosure is, or thereafter becomes, generally available to and known by the public other than as a result of, directly or indirectly, any violation of this Agreement by a Party or any of its Representatives;

2. At the time of disclosure is, or thereafter becomes, available to a Recipient or its Representatives on a non-confidential basis from a third-party source;
 3. Was known by or in the possession of Recipient or its Representatives prior to being disclosed by SPP or WPP pursuant to this Agreement;
 4. Was or is independently developed by Recipient without reference to or use of, in whole or in part, any Confidential Aggregated Output Information; or
 5. Has been determined by the RAPC to be non-confidential and RAPC has communicated this determination to Parties.
- F. Exception for Compelled Disclosure. Confidential Aggregated Output Information will not be disclosed by the Recipient to any third party, except as required by law, regulation, or by any authority having jurisdiction, including under the Freedom of Information Act, 5 U.S.C. § 552 (“FOIA”) and state public records law, as Recipient shall determine. In the event a Recipient is required by law to disclose Confidential Aggregated Output Information to a third party, then prior to any such disclosure, the Recipient required to make such disclosure shall, to the extent reasonably practical, give notice to the other Parties and make reasonable efforts to give the Parties a reasonable opportunity to take steps to maintain the confidentiality of the Confidential Aggregated Output Information.
- G. Coordination. Except as provided for in Section II.F, the Parties may not disclose Confidential Aggregated Output Information to non-Parties without the written consent of each of the Participants. Specifically, any Recipient(s) (or Recipient’s Representative(s)) that intend to disclose Confidential Aggregated Output Information have a duty to inform each Party to this Agreement that Confidential Aggregated Output Information may be disclosed and to obtain the prior written consent of each of the Parties in advance of such disclosure. The Parties agree that written consent shall be deemed given if notice of the proposed disclosure is provided in writing and the Disclosing Party (or Parties) fails to respond in writing within three (3) business days of such notice. The Parties agree that from time to time it may be necessary for a Party to file its own individual comments as part of the process of Project development or to make presentations to external groups or forums; in such a circumstance, the Parties agree not to disclose any Confidential Aggregated Output Information through individual comments unless agreed to by the Parties pursuant to this Section II.G.

III. MISCELLANEOUS

- A. Term and Termination. The term of this Agreement shall commence on the Effective Date and shall expire three years after the Effective Date. Notwithstanding anything to the contrary herein, each Party's rights and obligations under this Agreement shall survive any expiration or termination of this Agreement for a period of two (2) years from the date of such expiration or termination, even after the return or destruction of Confidential Participant Information by SPP and/or WPP.
- B. No Other Obligation. The Parties agree that no Party shall be under any legal obligation of any kind whatsoever, or otherwise be obligated to enter into any business or contractual relationship, investment, or transaction, by virtue of this Agreement, except for the matters specifically agreed to herein. A Party may at any time, at its sole discretion with or without cause, terminate discussions and negotiations with the other Parties, in connection with the
- Exhibit D to General Services Agreement Individual Work Order for Phase 3B Participation*

Purpose or otherwise, and may pursue a similar purpose without the involvement of, or liability to, the other Parties.

- C. Remedies. Each Party acknowledges and agrees that money damages might not be a sufficient remedy for any breach or threatened breach of this Agreement by such Party or its Representatives. Therefore, in addition to all other remedies available at law (which no Party waives by the exercise of any rights hereunder), a non-breaching Party shall, to the extent allowed by law, be entitled to seek specific performance and injunctive and other equitable relief as a remedy for any such breach or threatened breach.
- D. Limitation of Liability.
1. No Consequential or Indirect Damages. EXCEPT AS TO A PARTY'S GROSS NEGLIGENCE, WILLFUL MISCONDUCT, OR FRAUD, IN NO EVENT SHALL ANY PARTY OR ANY OF ITS REPRESENTATIVES BE LIABLE UNDER THIS AGREEMENT TO ANY OTHER PARTY OR OTHER PARTIES OR ANY THIRD PARTY FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, OR PUNITIVE DAMAGES, INCLUDING ANY DAMAGES FOR BUSINESS INTERRUPTION, LOSS OF USE, REVENUE, OR PROFIT, WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT THE BREACHING PARTY WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
 2. No Indemnity. NO PARTY SHALL HAVE ANY OBLIGATION TO INDEMNIFY ANY OTHER PARTY IN CONNECTION WITH ANY MATTER RELATED TO OR ARISING OUT OF THE PARTIES' PERFORMANCE UNDER THIS AGREEMENT.
- E. Notices. All notices, requests, consents, claims, demands, waivers, and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient; or (d) on the date received, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective Parties at the addresses set forth on the first page of this Agreement (or to such other address that may be designated by a Party from time to time in accordance with this Section). The representatives authorized to act on behalf of each Party are identified in Exhibit B. A Party may change its authorized representative by giving notice to all Parties.
- F. Entire Agreement. This Agreement constitutes the sole and entire agreement of the Parties with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter. This Agreement may only be amended, modified, or supplemented by an agreement in writing signed by each Party.

- G. Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.
- H. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.
- I. Assignment. No Party may assign any of its rights hereunder without the prior written consent of the other Parties, which shall not be unreasonably withheld. Any purported assignment in violation of this Section shall be null and void. No assignment shall relieve the assigning Party of any of its obligations hereunder. This Agreement is for the sole benefit of the Parties and their respective successors and permitted assigns, and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.
- J. Waivers. Except as otherwise provided in Section II.G of this Agreement, no waiver by any Party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the Party so waiving, and no waiver by any Party shall operate or be construed as a waiver in respect of any failure, breach, or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.
- K. TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF THE PARTIES WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS AGREEMENT. EACH PARTY FURTHER WAIVES ANY RIGHT TO CONSOLIDATE ANY ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED.

EXHIBIT E
MEMORANDUM OF UNDERSTANDING

**Memorandum of Understanding Between the Western Power Pool
and Western Resource Adequacy Program Participant**

This Memorandum of Understanding (“MOU”) is entered into as of _____, by and between the Northwest Power Pool, d/b/a Western Power Pool (“WPP”) and Western Resource Adequacy Program (“WRAP”) Participant, also referred to hereinafter as “Parties.”

The purpose of this MOU is to set forth the understanding between the Parties by which WRAP Participant evidences its commitment to support and fund the WRAP for Phase 3B through the Work Order Under General Services Agreement for Participation in Phase 3B of Western Resource Adequacy Program Implementation, and that WRAP Participant intends to continue its participation in the WRAP subject to the terms and conditions of the tariff proposed in a filing before the Federal Energy Regulatory Commission (“FERC”) and subject to the conditions precedent described herein.

Preamble

- A. WHEREAS, the Parties recognize that the Western Interconnection faces a resource adequacy shortfall as traditional thermal generation continues to retire, large amounts of intermittent renewable resources replace that dispatchable generation, drought conditions persist in a region with considerable reliance on hydroelectric generation, and extreme weather events increase in frequency and magnitude, all impacting the bulk power system; and
- B. WHEREAS, the WPP has a filed a WRAP Tariff for acceptance at FERC, a planning and compliance framework that seeks to take advantage of and maximize regional diversity in resources and load to enhance reliability for all Participants across the WRAP footprint; and
- C. WHEREAS, the WRAP is a voluntary, proactive, industry-initiated and led effort developed by a diverse set of Participants, including several public and non-public utilities, a federal power marketer, and a Canadian entity, to meet the growing resource adequacy challenge and enhance reliability in the region; and
- D. WHEREAS, the Parties acknowledge that at the time of execution of this MOU, certain conditions precedent must be satisfied before WRAP Participant is able to execute a participation agreement (Western Resource Adequacy Participation Agreement or “WRAPA”) to take services pursuant to the WRAP Tariff, these conditions being set forth as follows (the “Conditions”):
 - 1. A final order from FERC accepting and approving the WRAP Tariff, the Bonneville Power Administration's non-conforming WRAPA, and conforming WRAPA in a manner acceptable to WRAP Participant;
 - 2. A requisite number of Participants must sign the WRAPA in order to sufficiently

fund and provide sustainable WRAP services and benefits to WRAP Participant and other Participants.

- E. WHEREAS, in full acknowledgement of the Conditions, the WPP must nevertheless secure sufficient funding and commitment from Participants no later than December 16, 2022, in order to continue to perform those activities and services necessary to launch the WRAP, which includes the activities in Exhibit A of the Work Order (Phase 3B Scope of Work) and in order to proceed with WRAP implementation with confidence that WRAP Participant and other Participants support full implementation of sustainable WRAP services, including future participation subject to the binding compliance and penalty provisions of the WRAP Tariff.

Agreement

1. WRAP Participant has executed the Work Order, which includes 3B funding commitments.
2. Subject to resolution of the Conditions, WRAP Participant intends to execute a WRAPA.
3. WRAP Participant intends to participate in the WRAP subject to the binding compliance and penalty provisions of the WRAP Tariff beginning in _____.
4. The Parties shall work together collaboratively to address any issues that may affect WRAP Participant's participation in the WRAP as a result of the disposition of the WRAP Tariff and WRAPA at FERC, to execute the activities and services provided pursuant to the Work Order, and to ensure that WRAP Participant can participate in the WRAP subject to the binding compliance and penalty provisions of the WRAP Tariff beginning in the season selected by WRAP Participant.
5. Notwithstanding anything herein, this MOU is non-binding and is only meant to express the intent of the parties. All binding terms and conditions will be set forth in definitive documents to be executed by the parties. This MOU does not, and is not intended to, create any legal obligation on the parties.

Resolution No. _____

Exhibit A

Page 29 of 29

Western Power Pool

Northwest Power Pool, d/b/a Western Power Pool
Company

Sarah Edmonds
Name

President and CEO
Title

Sarah.Edmonds@westernpowerpool.org
Email

XXXXXXXXXX
Phone Number

7525 NE Ambassador Place, Suite M
Portland, Oregon, 97220
Mailing Address

WRAP Participant

Company

Name

Title

Email

Phone Number

Mailing Address



BUSINESS OF THE COMMISSION

Meeting Date: December 20, 2022

Agenda Item: 7A

TITLE

CEO/General Manager’s Report

SUBMITTED FOR: CEO/General Manager Report

CEO/General Manager _____	John Haarlow _____	8473 _____
<i>Department</i>	<i>Contact</i>	<i>Extension</i>
Date of Previous Briefing: _____		
Estimated Expenditure: _____		Presentation Planned <input type="checkbox"/>

ACTION REQUIRED:

- Decision Preparation
- Policy Discussion
- Policy Decision
- Statutory
- Incidental (Information)
- Monitoring Report

SUMMARY STATEMENT:

Identify the relevant Board policies and impacts:

The CEO/General Manager will report on District related items.

List Attachments:
None



BUSINESS OF THE COMMISSION

Meeting Date: December 20, 2022

Agenda Item: 8A

TITLE

Commission Reports

SUBMITTED FOR: Commission Business

Commission Allison Morrison 8037
Department *Contact* *Extension*

Date of Previous Briefing: _____
Estimated Expenditure: _____ Presentation Planned

ACTION REQUIRED:

- Decision Preparation
- Policy Discussion
- Policy Decision
- Statutory
- Incidental (Information)
- Monitoring Report

SUMMARY STATEMENT:

The Commissioners regularly attend and participate in meetings, seminars, and workshops and report on their activities.

List Attachments:
None

Commissioner Event Calendar – 2023

January 2023

January 5:

EASC 2023 Legislative Kick-off
Everett, WA 10:00 a.m. – 12:00 p.m.
(Wolfe/Logan/Olson)

January 6:

PNUCC Meeting
Virtual

January 11 - 12:

Public Power Council Meeting
Virtual

January 2023

Commissioner Event Calendar – 2023

February 2023

February 1 - 3:

Public Power Council/PNUCC Meetings
Portland, OR

February 2023

Commissioner Event Calendar – 2023

March 2023

March 1 - 3:

Public Power Council/PNUCC Meetings
Portland, OR

March 2023

Commissioner Event Calendar – 2023

April 2023

April 5 - 7:
Public Power Council/PNUCC Meetings
Portland, OR

April 2023

Commissioner Event Calendar – 2023

May 2023

May 3 - 5:

Public Power Council/PNUCC Meetings
Portland, OR

May 14 - 17:

NWPPA Annual Conference
Anchorage, AK

May 2023

Commissioner Event Calendar – 2023

June 2023

June 7 - 9:

Public Power Council/PNUCC Meetings
Portland, OR

June 16 - 21:

APPA National Conference
Seattle, WA

June 2023

Commissioner Event Calendar – 2023

July 2023

July 7:

PNUCC Meeting

Portland, OR

July 2023

For Planning Purposes Only and Subject to Change at any Time

Commissioner Event Calendar – 2023

August 2023

August 2 - 4:

Public Power Council/PNUCC Meetings

Portland, OR

August 2023

****For Planning Purposes Only and Subject to Change at any Time****

Commissioner Event Calendar – 2023

September 2023

September 6 - 8:
Public Power Council/PNUCC Meetings
Portland, OR

September 2023

Commissioner Event Calendar – 2023

October 2023

October 4 - 6:

Public Power Council/PNUCC Meetings
Portland, OR

October 2023

Commissioner Event Calendar – 2023

November 2023

November 1 - 3:

Public Power Council/PNUCC Meetings
Portland, OR

November 2023

Commissioner Event Calendar – 2023

December 2023

December 2023

****For Planning Purposes Only and Subject to Change at any Time****

2022 Budget, Forecast, and Major Project Status Update to Board of Commissioners

	(\$000's)	
	YTD Budget through November	YTD Results through November
Operating Revenues		
Energy Retail Sales	\$ 563,218	\$ 578,979
Energy Wholesale Sales	42,656	67,915
Other Operating Revenues	32,403	28,448
Total Operating Revenues	\$ 638,277	\$ 675,343
Operating Expenses		
Purchased Power	\$ 295,442	\$ 310,104
Operations & Maintenance	225,369	233,416
Taxes	35,076	36,473
Depreciation	54,480	55,770
Total Operating Expenses	\$ 610,367	\$ 635,763
Net Operating Income	\$ 27,910	\$ 39,580
Interest Income & Other	6,179	(2,740)
Interest Charges	(16,177)	(11,623)
Contributions	30,128	23,209
Net Income	\$ 48,040	\$ 48,426
Capital Expenditures	\$ 145,963	\$ 105,822



ELECTRIC SYSTEM HIGHLIGHTS THROUGH NOVEMBER

- Energy Retail Sales have increased due to very cold weather in November increasing consumption. Energy Wholesale Sales continue to be significantly higher than budget due to surplus power and favorable market prices.
- Other Operating Revenues remain lower than budget due to delaying re-implementation of late and disconnection fees.
- Purchased Power expenses reflect market purchases from higher spring loads, later snowpack runoff into hydropower, and volatility in market prices.
- Operations & Maintenance expenses reflect the impact of significant storm restoration activity in November, as well as ongoing inflationary, supply chain, and labor pressures. These variances are partially offset by underspending in some contracts.
- The net impact of Interest Income and Charges (which include debt amortization, interest costs, interest income, and mark-to-market adjustments) is comparable to budget.
- Contributions are lower than budget due to reduced developer activity through November.
- Capital spending is behind budget due to project delays and is expected to be underspend by year-end.

2022 BUDGET AND PROJECTION EXPECTATIONS

- Energy Retail Sales are projected to be significantly higher than budget based on the trend of customer electric loads and very cold winter weather.
- Energy Wholesale Sales will be significantly higher than budget as a result of surplus power and forecasted higher wholesale prices.
- Other Operating Revenues will be underbudget at year-end due to less than budgeted late and disconnect fees.
- Purchased Power expenditures will be significantly higher than budget based on market volatility impacting market purchases throughout 2022. The projection also includes the expected Reserves Distribution Clause (RDC) credit of \$3M from BPA in December.
- Operations & Maintenance expenditures will be over budget due to ongoing inflation, supply chain, major storms, and labor pressures.
- Capital Expenditures are forecasted to be under budget due to project deferrals. See pages 3-4 for additional information on selected projects.

(\$000's)

	2022 Budget	2022 Projection
Operating Revenues		
Energy Retail Sales	\$ 624,652	\$ 646,813
Energy Wholesale Sales	45,931	71,981
Other Operating Revenues	36,622	32,210
Total Operating Revenues	\$ 707,204	\$ 751,005
Operating Expenses		
Purchased Power	\$ 325,237	\$ 352,123
Operations & Maintenance	246,781	260,459
Taxes	38,901	40,405
Depreciation	59,433	60,723
Total Operating Expenses	\$ 670,352	\$ 713,711
Net Operating Income	\$ 36,853	\$ 37,294
Interest Income & Other	6,740	1,187
Interest Charges	(17,419)	(12,649)
Contributions	32,867	25,465
Net Income	\$ 59,041	\$ 51,297
Capital Expenditures	\$ 156,254	\$ 133,642



FORECASTED STATUS OF SELECTED MAJOR PROJECTS AND PROGRAMS

Yellow Indicates Change from Previous Report

Distribution and Engineering

- **Substation, Metering, and Telecom Projects:** Civil construction is complete for the Harbour Pointe substation upgrade and the addition of a second transformer to Edgcomb substation to support new loads. Site Construction is finishing for the new Sky Valley substation. Electrical assembly begins in the fourth quarter of 2022 for all three projects. Seven of the 2022 substation System Reliability projects are complete with one under construction and three 2023 System Reliability projects are being designed. The Brightwater protection upgrade is complete. Eight other major substation projects are currently in the design phase. Several fiberoptic projects are being built in 2022 to reduce the risk of a single point of failure. Fiber will also be extended from the Monroe office to Qualco to be used for a future substation. Fiber to Qualco is in process, splicing is complete, and circuits will be turned on next month. The City of Everett installed a fiber extension to their water filtration plant where we will connect a leased circuit. An RFP has been issued and is currently under review to replace our radio vendor.
- **Distribution Overhead and Underground Line Projects:** Material constraints in 2022 have hampered the release of non-critical underground system work. The Distribution group is focusing efforts on overhead construction including concentrating on the Bad Order (BO) pole program of which 429 BO poles were replaced through mid-November. Additionally, DES will be releasing ~140-pole replacement contract to be constructed in the fourth quarter of 2022 and the first quarter of 2023. Undergrounding of the District's facilities through the City of Lynnwood's 196th St SW project was substantially completed at the end of August. The Amazon commercial project in Arlington was also substantially completed this fall. Ongoing distribution projects include the Ballinger Substation 5th Feeder Circuit tie, the Twin City distribution feeder project, the Sky Valley Distribution feeder project, the SR 530 Franchise relocation project, the Stillaguamish Tribe's 236th St NE relocation project, and the County's 43rd Ave SE and 36th Ave W relocation projects. Energization of three Sound Transit/Lynnwood Link Traction Power Substations was anticipated before the end of the year. However, Light Rail project delays have pushed this timeline into early 2023.
- **Transmission Projects:** Approximately 30 bad order (B.O.) poles have been replaced. A portion of the Sky Valley project is under construction; the other portion is still waiting for an easement on Oaks ST and a permit from the City of Monroe. Crews just finished the installation of the second circuit under build on 132nd ST SE. Engineer is working on the design and applying for the traffic control permit to replace over 10 poles and install about 1 mile of distribution underbuild on the SP-TL line as part of the Sky Valley project.
- **Hat Island Cable Replacement:** The design team, along with the support of a team of consultants, has confirmed the technical feasibility of the replacement cable alignment landing at the Port of Everett South Terminal property. PUD staff is working with the Port of Everett staff on permanent and temporary easements as well as the final design.

FORECASTED STATUS OF SELECTED MAJOR PROJECTS AND PROGRAMS CONTINUED

Distribution and Engineering Continued

- **Connect Up Program:** Sensus meters deliveries remain forecasted to arrive mid-year 2023. Most of the Meter Exchange vans (2023 models) are arriving in December with the remaining being delivered in January. Systems Integration Testing Phase 2 is now completed and we are now preparing to start Phase 3 to start in January. The AMI Network Project has installed 60 base stations and continues to analyze recent Radio Frequency design updates from Sensus for 10-20 remaining base station sites.
- **Transportation:** Supply chain issues have made it difficult to forecast; due to recent delivery date adjustments for some of our orders, we now estimate to spend the entire \$10M budget for the year.

Facilities

- **North County Community Office:** The work is proceeding on schedule. The contractor just finished the first concrete pour for the office building foundation with about 225 cubic yards of concrete – more than 20 truck-loads with much more to come. They are currently working to bring the underground utilities - plumbing, power, and data - up into the building before pouring the concrete floor slab and continuing to work on the foundation of the warehouse building. The setting of the steel structure of the office building will start early next year.

Generation

- **Jackson Powerhouse Tenant Improvements:** TRICO Companies LLC has completed installation of the concrete block fire-rated wall and the associated fire-stop insulation and continues wall framing and rough-in of plumbing, heating, ventilation and air conditioning, and electrical systems. The project remains on schedule for an early 2023 move-in.
- **Qualco Biogas-Electric Generation Project:** All major construction at Qualco is complete and the new 675-kW thermal generating system has been commissioned and is in service, effective September 7, 2022.



(\$000's)

	YTD Budget through November	YTD Results through November
Operating Revenues		
Water Retail Sales	\$ 12,040	\$ 13,153
Water Wholesale Sales	455	678
Other Operating Revenues	347	385
Total Operating Revenues	\$ 12,842	\$ 14,216
Operating Expenses		
Purchased Water	\$ 3,174	\$ 3,437
Operations & Maintenance	6,726	6,622
Taxes	668	718
Depreciation	3,056	3,114
Total Operating Expenses	\$ 13,624	\$ 13,891
Net Operating Income	\$ (782)	\$ 325
Interest Income & Other	83	(137)
Interest Charges	(335)	41
Contributions	4,720	4,304
Net Income	\$ 3,686	\$ 4,533
Capital Expenditures	12,940	8,542



WATER SYSTEM HIGHLIGHTS THROUGH NOVEMBER

- Water Retail Sales are running ahead of budget due to warmer than expected summer and fall temperatures.
- Water Wholesale Sales reflect higher than budgeted sales to the cities of Arlington and Granite Falls through November.
- The net impact of Interest Income and Charges (which include debt amortization, interest costs, interest income, and mark-to-market adjustments) is comparable to budget.
- Contributions are lower than budget reflecting less development activity.
- Capital expenditures are behind budget expectations based on delays in our Water AMI conversion project and permitting and material availability delays associated with our main replacement and treatment plant improvements budgeted for 2022. Capital spend will be under budget by year end based on these delays.

(\$000's)

	YTD Budget through November	YTD Results through November
Operating Revenues		
Wholesale Sales	24,870	26,059
Other Operating Revenues	-	201
Total Operating Revenues	\$ 24,870	\$ 26,260
Operating Expenses		
Operations & Maintenance	10,011	9,759
Taxes	89	87
Depreciation	5,561	5,268
Total Operating Expenses	\$ 15,661	\$ 15,114
Net Operating Income	\$ 9,209	\$ 11,146
Interest Income & Other	649	(47)
Interest Charges	(4,122)	(2,214)
Contributions	46	108
Net Income	\$ 5,782	\$ 8,993
Capital Expenditures	4,386	4,818

**GENERATION
SYSTEM HIGHLIGHTS
THROUGH
NOVEMBER**

- Generation System Operating and Capital Expenditures are both running close to budget and expected to be at targeted levels at year-end. See page 4 for project details.





BUSINESS OF THE COMMISSION

Meeting Date: December 20, 2022

Agenda Item: 9A

TITLE:

Adoption of the 2023 Governance Planning Calendar

SUBMITTED FOR: Governance Planning

<u>Commission</u>	<u>Allison Morrison</u>	<u>8037</u>
<i>Department</i>	<i>Contact</i>	<i>Extension</i>
Date of Previous Briefing:	<u>N/A</u>	
Estimated Expenditure: _____		Presentation Planned <input type="checkbox"/>

ACTION REQUIRED:

- Decision Preparation
- Policy Discussion
- Policy Decision
- Statutory
- Incidental (Information)
- Monitoring Report

SUMMARY STATEMENT:

Identify the relevant Board policies and impacts:

Governance Process, Agenda Planning, GP-4: To accomplish its job products with a governance style consistent with Board policies, the Board will follow an annual agenda ...

The Planning Calendar is enclosed for Board review.

List Attachments:
Governance Planning Calendar

Governance Planning Calendar – 2023

To Be Scheduled

- Compensation Philosophy Discussion

To Be Scheduled

Governance Planning Calendar – 2023

January 10, 2023

Morning Session:

- Media
- 2023-2027 Strategic Plan Update

Afternoon Session:

- Public Hearing:
→2023 Water Utility Rates
- Public Hearing and Action:
→2021 Water System Plan
- Governance Planning Calendar

January 24, 2023

Morning Session:

- Community Engagement
- 2023-2027 Strategic Plan Review
- **Connect Up TRC Contract Amendment**

Afternoon Session:

- Public Hearing and Action:
→2023 Water Utility Rates
- Governance Planning Calendar

Governance Planning Calendar – 2023

February 7, 2023

Morning Session:

- Media
- Legislative
- South Everett Community Solar

Afternoon Session:

- Governance Planning Calendar

February 21, 2023

Morning Session:

- Community Engagement
- Legislative

Afternoon Session:

- Governance Planning Calendar

Governance Planning Calendar – 2023

March 7, 2023

Morning Session:

- Media
- Legislative

Afternoon Session:

- Governance Planning Calendar

March 21, 2023

Morning Session:

- Community Engagement
- Legislative
- Connect Up Quarterly Update

Afternoon Session:

- Public Hearing and Action:
 - Disposal of Surplus Property – 2nd Quarter
- Monitoring Report:
 - 4th Quarter 2022 Financial Conditions and Activities Monitoring Report
- Governance Planning Calendar

Governance Planning Calendar – 2023

April 4, 2023

Morning Session:

- Media

Afternoon Session:

- Governance Planning Calendar

April 18, 2023

Morning Session:

- Community Engagement
- Energy Risk Management Report
- Water Supply Update

Afternoon Session:

- Governance Planning Calendar

Governance Planning Calendar – 2023

May 9, 2023

Morning Session:

- Media

Afternoon Session:

- Monitoring Report:
→ 1st Quarter 2023 Financial Conditions and
Activities Monitoring Report
- Governance Planning Calendar

May 23, 2023

Morning Session:

- Community Engagement

Afternoon Session:

- Governance Planning Calendar

Governance Planning Calendar – 2023

June 13, 2023

Morning Session:

- Media

Afternoon Session:

- Governance Planning Calendar

June 27, 2023

Morning Session:

- Community Engagement

Afternoon Session:

- Public Hearing and Action:
→ Disposal of Surplus Property – 3rd Quarter
- Governance Planning Calendar

Governance Planning Calendar – 2023

July 11, 2023

Morning Session:

- Media

Afternoon Session:

- Governance Planning Calendar

July 25, 2023

Morning Session:

- Community Engagement

Afternoon Session:

- Monitoring Report:
 - Asset Protection Monitoring Report
- Governance Planning Calendar

Governance Planning Calendar – 2023

August 8, 2023

Morning Session:

- Media

Afternoon Session:

- Monitoring Report:
→2nd Quarter Financial Conditions and
Activities Monitoring Report
- Governance Planning Calendar

August 22, 2023

Morning Session:

- Community Engagement

Afternoon Session:

- Public Hearing:
→2024 Preliminary Budget – Report of Filing
and Notice of Public Hearing
- Governance Planning Calendar

Governance Planning Calendar – 2023

September 5, 2023

Morning Session:

- Media

Afternoon Session:

- Governance Planning Calendar

September 19, 2023

Morning Session:

- Community Engagement

Afternoon Session:

- Public Hearing and Action:
 - Disposal of Surplus Property – 4th Quarter
- Governance Planning Calendar

Governance Planning Calendar – 2023

October 2, 2023

Morning Session:

- Media

Afternoon Session:

- Public Hearing:
→Open 2024 Proposed Budget Hearing
- Governance Planning Calendar

October 17, 2023

Morning Session:

- Community Engagement
- Energy Risk Management Report
- Water Supply Update

Afternoon Session:

- Governance Planning Calendar

Governance Planning Calendar – 2023

November 7, 2023

Morning Session:

- Media

Afternoon Session:

- Public Hearing:
→Continue Public Hearing on the 2024 Proposed Budget
- Monitoring Report:
→3rd Quarter Financial Conditions and Activities Monitoring Report
- Governance Planning Calendar

November 21, 2023

Morning Session:

- Community Engagement

Afternoon Session:

- Public Hearing:
→Continue Public Hearing on the 2024 Proposed Budget
- Adopt Regular Commission Meeting Dates for the Year 2024
- Governance Planning Calendar

Governance Planning Calendar – 2023

December 5, 2023

Morning Session:

- Media

Afternoon Session:

- Public Hearing and Action:
→ Adopt 2024 Budget
- Monitoring Report:
→ Financial Planning and Budgeting Monitoring Report
- Elect Board Officers for the Year 2024
- Proposed 2024 Governance Planning Calendar

December 19, 2023

Morning Session:

- Community Engagement

Afternoon Session:

- Public Hearing and Action:
→ Disposal of Surplus Property - 1st Quarter
→ Confirm Final Assessment Roll for LUD No. 66
- Adopt 2024 Governance Planning Calendar

Governance Planning Calendar – 2023

2023 Year-at-a-Glance Calendar

January

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

February

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12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

March

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19	20	21	22	23	24	25
26	27	28	29	30	31	

April

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23	24	25	26	27	28	29
30						

May

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21	22	23	24	25	26	27
28	29	30	31			

June

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18	19	20	21	22	23	24
25	26	27	28	29	30	

July

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23	24	25	26	27	28	29
30	31					

August

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27	28	29	30	31		

September

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24	25	26	27	28	29	30

October

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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

November

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12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

December

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3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Holiday	#	Commission Meetings
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For Planning Purposes Only and Subject to Change at any Time