

PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY
BOARD OF COMMISSIONERS

AGENDA
MAY 26, 2026
4:30 PM

The public is invited to attend in person or via Zoom.

Join meeting via Zoom: <https://skagitpud.zoom.us/j/84039095413?pwd=GjD5tFa8IPxIT4XG3pHu2K66vR7BGr.1>

Meeting ID: 840 3909 5413
Passcode: 030272
Or dial: 1-253-215-8782

Please turn your audio and video off during the meeting. Use the "Raise Hand" feature if you would like to speak during Audience Comments.

If you have a question or comment for the Board, please submit it by 5 p.m. the Monday prior to the meeting by calling (360) 848-4460 or send an email to pud@skagitpud.org

CALL TO ORDER

PLEDGE OF ALLEGIANCE

CONSENT AGENDA

1. Approval of Agenda 5/26/26
2. Approval of Minutes 5/12/26 Regular Meeting
3. Ratification of Voucher 5/12/26 and 5/19/26
- ~~4. Voucher Approval 5/26/26~~
5. [VOA North Burlington Project Acceptance](#)

AUDIENCE COMMENTS

OLD BUSINESS

6. General Manager's Report
7. Engineering Department Update
8. [Water Rights Lease Program - Background and Operational Considerations](#)

NEW BUSINESS

INFORMATION

9. Judy Reservoir Data Report

COMMISSIONER COMMENTS

ADJOURNMENT

MINUTES OF THE REGULAR MEETING OF THE COMMISSION
PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY, WASHINGTON

May 12, 2026

The regular meeting of the Commission of Public Utility District No. 1 was held in the Aqua Room of the utility located at 1415 Freeway Drive, Mount Vernon, Washington.

The meeting was called to order at 4:30 p.m. Commissioners Corrin Hamburg, vice president, and Joe Lindquist, secretary, were in attendance. Commissioner Andrew Miller, president, was absent.

In attendance were also George Sidhu, Nick Semrau, Pete Gilbert, Mark Handzlik, Brian Henshaw, Jay Sedivy, Kevin Tate, Alistair Boudreaux, Cecily Gubitosi, Kathy White, and Mark Semrau.

Participating remotely were Michael (no last name given), Courtney Shilling, and Kurt Van Burkleo.

Commissioner Hamburg led the Pledge of Allegiance.

CONSENT AGENDA

Commissioner Lindquist moved to approve the Consent Agenda for May 12, 2026, as presented.

1. Approval of Agenda 5/12/26
2. Approval of Minutes 4/28/26 Regular Meeting
3. Ratification of Voucher 5/5/26 No. 3237 (\$538,849.04)
Accounts Payable Voucher No. 34378-34422 (\$113,255.53)
Electronic Funds Transfer (\$160,124.53)
Payroll Electronic Funds Transfers and checks No. 049110-049195 (\$265,468.98)
4. ~~Voucher Approval 5/12/26~~

The motion passed unanimously.

AUDIENCE COMMENTS

None.

OLD BUSINESS

5. Manager's Report: General Manager Sidhu provided an update on the following:
 - Several staff attended and presented at the AWWA Tacoma conference that took place from May 6-8 in Tacoma. The Top Ops team won their competition and will be moving forward to represent the PUD at the AWWA ACE Conference in Washington, D.C., from June 21-24.
 - Offers have been made and accepted for the Water Treatment Plant Operator and Project Manager positions. New hires will start in the nex
 - Items under the Information section of the agenda, including additional comments on the Water Rights Lease Program, Sole Source Agreement with Underground Solutions, SP&P 3011 and 3012, and the Judy Reservoir Data Report.
 - The WPUA Annual Conference took place in Suquamish, WA, from April 29 to May 1.
6. Community Relations Department Update: Community Relations Manager Tate gave a Community Relations Department update on the following:
 - Sponsorships with the Downtown Mount Vernon Association, Skagit County K9 Heroes Fund, Sedro-Woolley Chamber of Commerce, Skagit Valley Highland Games, Concrete Youth Activity Day, and Skagit County Fair.
7. Water Rights Lease Program – Policy Framework Discussion: General Manager Sidhu explained that the intent of today's discussion is to start the development of the framework for developing a policy for water rights transfers and acknowledged that this process will take time. Manager Sidhu also provided an overview of the draft executive summary, including references and background information. A discussion ensued.

NEW BUSINESS

None.

INFORMATION

- 8. Public Comments on Water Rights Lease Program
- 9. Monthly Budget Status: March 2026
- 10. Judy Reservoir Data Report

COMMISSIONER COMMENTS

None.

ADJOURNMENT

Having no further business to come before the board, Commissioner Miller moved for adjournment. The motion passed, and the May 12, 2026, meeting adjourned at 4:47 p.m.

ATTEST

ABSENT
 Andrew Miller, President

 Joe Lindquist, Secretary

 Corrin Hamburg, Vice President

As of May 12, 2026

No. 3238

We, the undersigned Board of Commissioners of Public Utility District No. 1 of Skagit County, Washington, do hereby certify that the merchandise and /or services hereinafter specified have been received and are hereby approved for payment in the amount of \$661,947.66 this 12th day of May, 2026.

The total is comprised of the following:

Accounts Payable voucher No. from 34423 through 34467 in the amount of \$653,242.37, Electronic Funds Transfer in the amount of \$8,705.29. Payroll Electronic Funds Transfers and checks No. through in the amount of \$0.00.

Attest:



Manager


Auditor

President

Vice - President

Secretary

Date: 05/13/2026

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Voucher	Claimant	Amount
34423	ALERA GROUP	5,500.00
34424 - EDI	AMERITAS LIFE INSURANCE CORP	8,705.29
34425	ASTOUND BUSINESS SOLUTIONS LLC	144.82
34426	BADGER METER INC	1,509.79
34427	BEAVER LAKE QUARRY INC	619.26
34428	BLADE CHEVROLET	262.08
34429	BOSTEC INC	449.60
34430	BRADLEY RAMSEY	122.53
34431	CHOICE GROUNDS CARE	5,843.85
34432	CITY OF MOUNT VERNON	104,096.30
34433	CITY OF SEDRO WOOLLEY	2,101.86
34434	D.K. SYSTEMS, INC.	5,271.79
34435	DARRIUS HAMES	99.35
34436	DOUGLAS A STREETER	2,000.00
34437	FIRE ES	97.92
34438	FRONT DESK	550.00
34439	GATEWAY CONTROLS INC	364.90
34440	THE HOSE SHOP INC	132.84
34441	ISMAEL GUITRON	99.42
34442	IWORKWISE	107.51
34443	JOHN M STRACHAN	1,006.82
34444	KAYLYNN VAHOVICK & EMMA HOVOY	63.42
34445	LAKESIDE INDUSTRIES INC	425.59
34446	LOOMIS ARMORED US LLC	377.23
34447	MARTIN MARIETTA MATERIALS	578.01
34448	NASARIA VASQUEZ ALBERTO	48.59
34449	NELSON-REISNER	990.69
34450	OAK STREET LOFTS, LLC	78.53
34451	ORKIN LLC	124.99

Voucher	Claimant	Amount
34452	PACIFIC POWER BATTERIES	205.15
34453	PACIFIC SECURITY	362.62
34454	POMP'S TIRE SERVICE INC	257.39
34455	PUGET SOUND ENERGY	153,355.24
34456	PURMS JOINT SELF INS FUND	359,588.80
34457	RETAIL LOCKBOX INC.	2,235.43
34458	RICOH USA INC	58.13
34459	SEATTLE PUMP & EQUIPMENT CO	913.44
34460	SEDRO WOOLLEY AUTO PARTS INC	8.89
34461	SHARI BUNTING	225.00
34462	SKAGIT VALLEY PUBLISHING	53.80
34463	TACOMA SCREW PRODUCTS INC	6.05
34464	USABLUEBOOK	1,969.55
34465	UTILITIES UNDERGROUND LOCATION	654.12
34466	WILLIAM DELAND	174.39
34467	WOODS ACQUISITION CORP DBA	106.68
		661,947.66

We, the undersigned Board of Commissioners of Public Utility District No. 1 of Skagit County, Washington, do hereby certify that the merchandise and /or services hereinafter specified have been received and are hereby approved for payment in the amount of \$1,312,804.42 this 19th day of May, 2026.

The total is comprised of the following:

Accounts Payable voucher No. from 34468 through 34511 in the amount of \$102,086.41, Electronic Funds Transfer in the amount of \$940,591.26. Payroll Electronic Funds Transfers and checks No. 049196 through 049281 in the amount of \$270,126.75.

Attest:



Manager


Auditor

President

Vice - President

Secretary

Date: 05/19/2026

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Voucher	Claimant	Amount
34468	ADAM JEWETT LL	118.72
34469 - EDI	AFLAC	826.71
34470	ARMANDO ENCINIAS	240.94
34471	ASSOCIATED EARTH SCIENCES, INC.	5,706.75
34472 - EDI	BANNER BANK	82.75
34473	BULMARO SANTIAGO GARCIA & LIZB	112.63
34474	CAMERON BAILEY	1,500.00
34475	CAROLLO ENGINEERS, INC	3,632.75
34476	CINTAS	55.36
34477	DAVID EVANS AND ASSOCIATES, INC	5,849.50
34478 - EDI	DEPARTMENT OF COMMERCE	576,797.78
34479 - EDI	ELECTRONIC FEDERAL TAX PAYMENT	101,477.32
34480	EMILY FELTON	18.50
34481 - EDI	EMPLOYEES WELFARE & RECREATION	540.00
34482 - EDI	EMPOWER RETIREMENT	1,448.81
34483	GEOSYNTEC FAMILY OF COMPANIES	1,701.50
34484	JAIME BAUTISTA & TANIA VALENZU	138.43
34485	K&D SERVICES INC	9,927.25
34486	LAKESIDE INDUSTRIES INC	440.76
34487	LUKE GRANT	198.47
34488	MARTIN MARIETTA MATERIALS	2,295.03
34489	NAPA AUTO PARTS	106.44
34490 - EDI	PAYMENTUS CORPORATION	17,535.42
34491	PJIL HAYNES	88.15
34492	PLATT ELECTRIC SUPPLY	218.44
34493	POMP'S TIRE SERVICE INC	772.16
34494	PUGET SOUND ENERGY	20,187.37
34495	RH2 ENGINEERING INC	8,556.44
34496	SAFELITE FULFILLMENT LLC	1,210.81

Voucher	Claimant	Amount
34497	SEDRO WOOLLEY AUTO PARTS INC	75.85
34498	SKAGIT FARMERS SUPPLY	1,103.90
34499	SKAGIT REGIONAL HEALTH	220.00
34500	SMART SOURCE OF SEATTLE LLC	15,222.37
34501	SUMMIT LAW GROUP PLLC	2,178.00
34502	THE DRIFTMIER ARCHITECTS P S	8,421.18
34503	UNITED SITE SERVICES	168.00
34504	VERIZON WIRELESS	4,370.69
34505 - EDI	WA STATE DEPT OF RETIREMENT	89,651.50
34506 - EDI	WA STATE DEPT OF REVENUE	140,086.85
34507 - EDI	WA STATE SUPPORT REGISTRY	273.49
34508 - EDI	WA STATE TREASURER	11,870.63
34509	WASHINGTON PUD ASSOCIATION	5,832.00
34510	WOODS ACQUISITION CORP DBA	455.70
34511	ZENNER USA, INC	962.32
		1,042,677.67



1415 Freeway Drive | Mount Vernon, Washington 98273 | (360) 424-7104 | SkagitPUD.org

May 26, 2026

MEMORANDUM

TO: Board of Commissioners
FROM: Mark Handzlik PE, Engineering Manager
SUBJECT: VOA North Burlington Project Acceptance

Requested Action:
Acceptance of the VOA North Burlington Project.

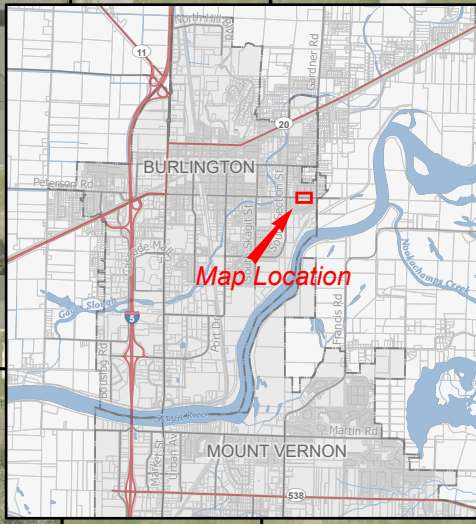
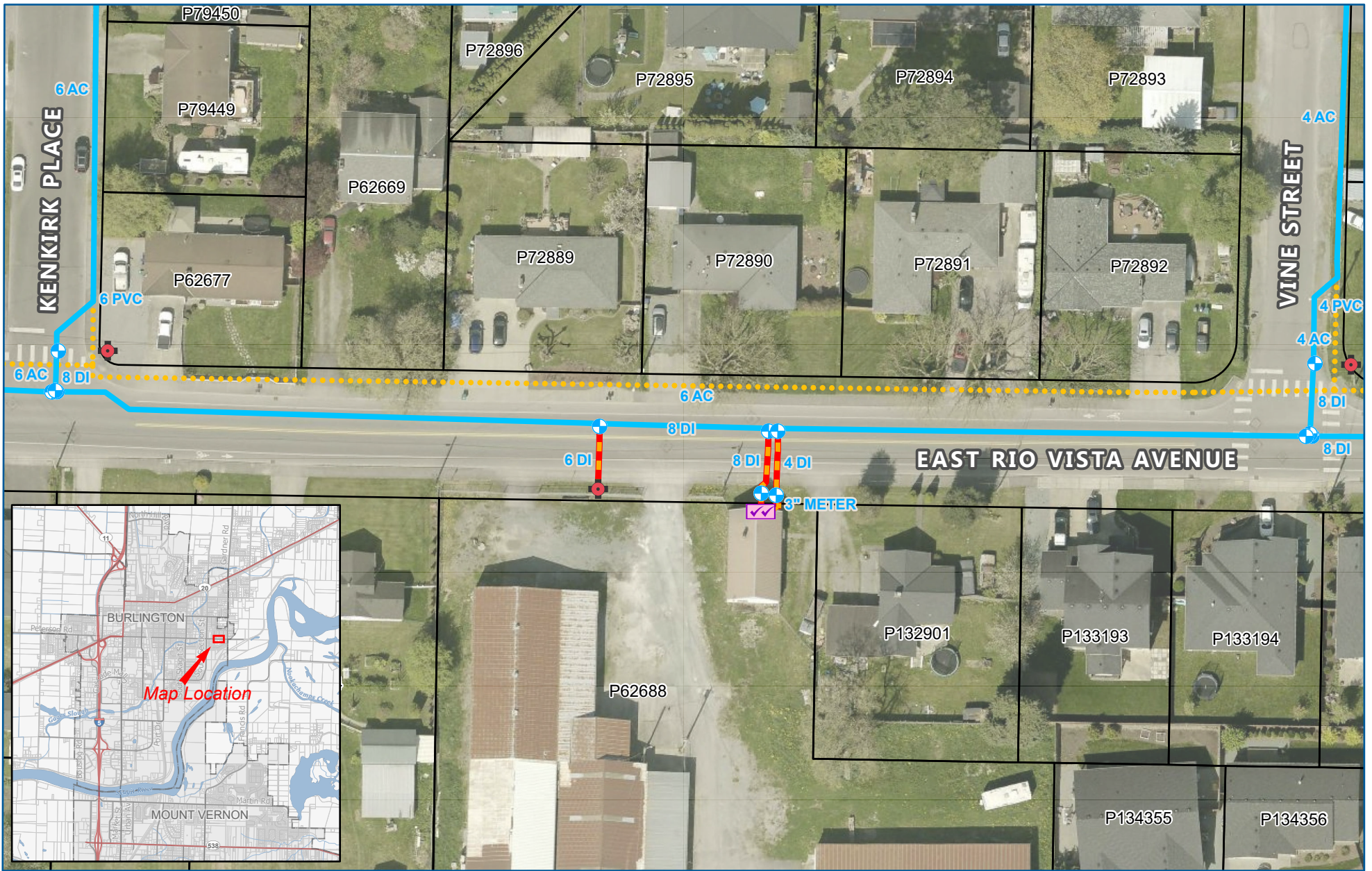
Background:
Reference: CP47894
Location: Burlington
Developer: **Volunteers of America Western Washington**
Contractor: Dawson Construction LLC

The PUD has approved the plans and specifications and has inspected the installation of the new water plant within the above project. The Engineering Department has received satisfactory pressure and bacteriological test results. All documentation for this project has been completed.

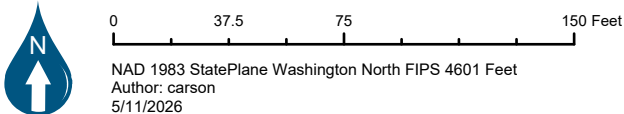
Fiscal Impact:

PUD project costs to be reimbursed by Developer	\$	19,184.83
Value of water plant conveyed to PUD by Developer	\$	86,603.68
Anticipated future SDF fees related to project	\$	91,920.00

Enclosures: 1. [VOA North Burlington Acceptance Map](#)



VOA North Burlington Project Acceptance



- Tax Parcels
- Awaiting Acceptance
- Hydrant
- Gate Valve
- Existing Main
- DoubleCheck
- Abandoned

This map was created from available public records and existing map sources, not from field surveys. While great care was taken in this process, maps from different sources rarely agree as to the precise location of geographic features. The relative positioning of map features to one another results from combining different map sources without field verification.

The PUD #1 of Skagit County disclaims any warranty of merchantability or warranty of fitness of this map for any particular purpose, either expressed or implied. No representation or warranty is made concerning the accuracy, currency, completeness or quality of data depicted on this map. Any user of this map assumes all responsibility for use thereof, and further agrees to hold the PUD #1 of Skagit County harmless from any damage, loss, or liability arising from the use of this map.





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May 26, 2026

MEMORANDUM

TO: Board of Commissioners
FROM: George Sidhu, P.E., General Manager
SUBJECT: Water Rights Lease Program - Background and Operational Considerations

Requested Action:
For discussion only.

Background:
Information will be presented at the meeting regarding the PUD's water rights, details of previous water rights transfers, and operational considerations regarding Judy Reservoir levels as they relate to water supply and water quality.

Some of the information that will be presented is included in this memo, along with an updated meeting schedule for the Water Rights Lease Program.

Fiscal Impact:
N/A

- Enclosures:
1. [Schedule Update 05-26-26](#)
 2. [2024 PUD WSP draft-water rights excerpts](#)
 3. [2024 PUD WSP draft- 1996 MOA excerpts](#)
 4. [Water rights transfer history summary](#)
 5. [2026 Temporary Water Rights Transfer Plan-Water Rights Allocations](#)

Skagit PUD Water Rights Lease Program

Meeting Schedule

Revised 5-26-26

Tuesday, April 14, 2026	Process Discussion
Phase 1	
Tuesday, April 28, 2026	Initial Policy Framework Discussion
Tuesday, May 12, 2026	Commissioner Miller absent, no discussion
Tuesday, May 26, 2026	PUD Water Rights Background and Operational Considerations review
Tuesday, June 9, 2026	Water Law and Water Rights Transfer regulatory review
Tuesday, June 23, 2026	ACE 26 Conference, no discussion
Tuesday, July 14, 2026	Operational, legal and regulatory review discussion and stakeholder meeting preparation
Week of July 20	Stakeholder meeting
Tuesday, July 28, 2026	Commissioners Lindquist and Hamburg absent, no discussion
Tuesday, August 11, 2026	Review of stakeholder input
TBD	Draft policy discussion
TBD	Develop draft policy
TBD	Policy adoption
TBD	Program structure discussion
Phase 2	
TBD	Program discussion
TBD	Program creation
Phase 3	
TBD	Pilot program discussion
TBD	Pilot program creation Lease Agreements

3.4 Capacity Analysis

As a water utility provider, Skagit PUD is responsible for ensuring that the water system can meet the needs of its customers. Capacity analysis is an essential component of a Water System Plan document. It involves assessing the hydraulic capacity of the water system and determining whether it can meet its customers' current and future demands. The analysis also considers the water rights associated with the system and ensures that the system has adequate source capacity. The PUD conducts regular capacity analysis to ensure the water system operates efficiently and effectively.

3.4.1 Water Rights

According to its broad statutory authority under Title 54 RCW and RCW 90.03.015, the PUD is defined as a municipal water supplier. All PUD water rights held or acquired by the PUD qualify for municipal water supply purposes due to their beneficial use in serving 15 or more residential customers and governmental proprietary purposes.

Generally, the Judy System water supply is acquired from its related surface water rights. The PUD also has groundwater sources that serve its six satellite systems. Emergency backup supply for the Judy System is provided by multiple interties with the City of Anacortes, as previously described.

3.4.1.1 Judy System Water Rights

The Judy System water rights are governed by the 1996 Memorandum of Agreement [MOA], as discussed in Section 1.3.3. Skagit PUD currently holds nine water right certificates and five water rights in permit status for its Judy System due to the processing of MOA-based change applications, as shown in **Table 3-2** and discussed in this section. These water right applications, certificates, and changes were documented in the 1996 MOA. Seven more claims and two water right certificates are currently in standby status. The two standby water right certificates (CG1-00128C and G1-25755C) have been temporarily donated to the Washington State Trust Water Right Program.

The signatories of the 1996 MOA agreed not to challenge the PUD's water rights or water right changes documented in the MOA for 50 years from the date of signing. The 1996 MOA established the Skagit River Basin Instream Resources Protection Program Rule in 2001. This rule established instream flows¹ for the mainstem Skagit River and the Cultus Mountain streams (Gilligan Creek, Mundt Creek, Salmon Creek, and Turner Creek).

¹ The term "instream flow" is used to identify a specific stream flow needed to protect and preserve instream resources and values such as fish, wildlife, and recreation. An instream flow rule is, in essence, a water right for fish and other instream resources. While an instream flow rule does not affect existing water rights, water rights issued after the rule adoption are junior to the instream flow and can only be exercised when the instream flow is being met.

Table 3-2: Summary of Judy System Water Rights

Cultus Mountain Surface Water Production Rights¹

Source	Document	Priority Date	Additive Qi	Additive Qa	Non-Additive Qa
Gilligan Creek	SWC 411	10/10/1929	1.5 cfs	1,086 afy	
Gilligan Creek	S1-00724C	10/30/1963	7.39 cfs	2,614 afy	1,086 afy
Mundt Creek	SWC 26	9/28/1917	2.5 cfs	1,810 afy	
Mundt Creek	S1-00737C	10/30/1963	5.5 cfs	2,076 afy	1,810 afy
Turner Creek	Claim 9333	Pre-1917	4.3 cfs	2,300 afy	
Turner Creek	S1-00739C	10/30/1963	6.2 cfs	722 afy	2,300 afy
Salmon Creek	Claim 9332	Pre-1917	1.8 cfs	307 afy	

Total Cultus Mountain Surface Water Production Rights: 10,915 afy

Skagit/Groundwater Production Rights²

Source	Document	Priority Date	Additive Qi	Additive Qa	Non-Additive Qa
Skagit River Ranney Well	GWP 3350	5/12/1954	8.91 cfs	6,400 afy	
Sedro Woolley Well	GWP 2911	3/26/1953	2.0 cfs	1,440 afy	

Total Skagit/Groundwater Production Rights: 7,840 afy

Storage/Reservoir Rights

Source	Document	Priority Date	Volume
Judy Reservoir	Vol 18, 8738	1/16/1946	1,500 af
Judy Reservoir	R1-00673C	4/24/1963	4,250 af

Total Storage/Reservoir Rights: 5,750 af

Permits-1996 MOA Related⁴

Source	Document	Priority Date	Additive Qi	Additive Qa	Non-Additive Qa	Status
Gilligan Creek/Skagit River	S1-25129P	11/16/1987	13.15 cfs		3,700 afy	Permitted
Mundt Creek/Skagit River	S1-27861	10/22/1997	18.56 cfs		3,886 afy	Permitted
Turner Creek/Skagit River	S1-27862P	10/22/1997	6.6 cfs		3,022 afy	Permitted
Salmon Creek/Skagit River	S1-18219P	10/30/1963	4.0 cfs		307 afy	Permitted
Skagit River	S1-27860	10/22/1997	12.8 cfs	362 afy	5,071 afy	Permitted

Total Additive Non-Storage Annual Production Quantity³: 19,117.4 afy

al Storage Rights Quantity (acre-feet stored when reservoir is filled to NOPL): 5,750 af

Total Authorized (1996 MOA)/Additive Instantaneous Quantity⁵: 55.39 cfs

Other Certificates and Claims (Standby/Reserve)

Source	Document	Priority Date	Qi (cfs)	Qa (afy)
Rock Springs Creek	Claim 009334	pre-1917	0.2 cfs	40 afy
Pigeon Creek	Claim 009335	pre-1917	0.2 cfs	40 afy
Unnamed creek	Claim 009336	pre-1917	0.1 cfs	20 afy
Cold Springs Creek	Claim 009337	pre-1917	0.2 cfs	40 afy
East Fork Nookachamps Creek	Claim 009338	pre-1917	1.1 cfs	110 afy
Samish River Park	G1-00128C	7/25/1971	0.33 cfs	30 afy
Mountain View	G1-25755C	6/26/1990	41 gpm	3.8 afy

1. The Skagit River has been added as an additional source for water rights associated with the Cultus Mtn. streams. Diversions from the stream sources under these water rights are subject to Cultus Mountain Instream Flows.

2. Skagit groundwater rights cited below changed to surface water diversions pursuant to 1996 MOA and reverted to permit status per water right changes approved in 2001.

3. The PUD has a total (non-storage) annual quantity limit of 23,417.4 afy from the Cultus Mountain Streams and the Skagit River, including 4,300 afy for reservoir bypass flushing. The PUD also has additive storage rights totaling 5,750 af.

4. Diversions from the stream sources under these water rights are subject to Cultus Mountain Instream Flows and diversions from the Skagit River are subject to Skagit River Instream Flows.

5. 1996 Memorandum of Agreement Regarding Utilization of Skagit River Basin Water Resources for Instream and Out of Stream Purposes (1996 MOA). Total combined instantaneous water right available from the river, streams, or a combination of both is 55.39 cfs (35.8 mgd). The PUD is further authorized under its senior Cultus Mountain and Skagit River water rights and the 1996 MOA to divert a total of 40.10 cfs from the Skagit River when Skagit River instream flows are not being met. The Skagit River has been added as an additional source for water rights associated with the Cultus Mtn. streams

The river and stream water rights described in the 1996 MOA total a maximum instantaneous quantity² (Qi) of 35.8 million gallons per day (MGD). Withdrawals from the streams are subject to instream flow rules. Under the 1996 MOA, withdrawals from the Skagit River above an instantaneous quantity of 42.59 cfs are subject to the Skagit River instream flow rules. Under an agreement reached with Ecology in 2020 regarding the Mundt Creek water right, the above uninterrupted Qi total of 42.59 cfs was reduced to 40.10 cfs. The cumulative water rights for the Cultus Mountain streams are detailed in **Table 3-3**.

Table 3-3: Cumulative Water Rights – Cultus Mountain Diversion

Source	Document	Qi (cfs)	Additive Qa ¹ (afy)
Gilligan Creek	SWC 411	1.5	1,086
	S1-00724C	7.39	2,614
	S1-25129P	13.15	
Gilligan Creek Subtotal		22.04	3,700
Mundt Creek	SWC 26	2.5	1,810
	S1-00737C	5.5	2,076
	S1-27861	18.56	
Mundt Creek Subtotal		26.56	3,886
Turner Creek	Claim 9333	4.3	2,300
	S1-00739C	6.2	722
	S1-27862P	6.6	
Turner Creek Subtotal		17.1	3,022
Salmon Creek	Claim 9332	1.8	307
	S1-18219P	4	
Salmon Creek Subtotal		5.8	307
<p>Subject to the 1996 Memorandum of Agreement Regarding Utilization of Skagit River Basin Water Resources for Instream and Out of Stream Purposes (1996 MOA). Total combined water right available from the river, streams, or a combination of both is 55.39 cfs (35.8 mgd). Withdrawals from the Cultus Mountain Streams (Gilligan, Mundt, Turner, and Salmon Creeks) are subject to Cultus Mountain Instream Flows. The Skagit River has been added as an additional source for water rights associated with the Cultus Mtn. streams</p> <p>1. Total production/additive water right Qa of 19,117.4 afy excluding additive storage rights of 5,750 afy. The total authorized Qa of 23,417.4 afy includes 4,300 afy of water designated for Judy Reservoir flushing flow.</p>			

The Judy System surface water rights authorize a total additive (non-storage) annual quantity (Qa) of 23,417.4 afy, diverting from the Skagit River mainstem and Cultus Mountain tributaries. This annual quantity limit includes 4,300 afy for reservoir/bypass flushing. The PUD holds separate additive water rights for storage, which authorize a total impoundment of up to 5,750 afy in Judy Reservoir. Additional information related to the PUD’s water rights, including satellite system groundwater rights, is provided in **Appendix C**.

² The term “instantaneous quantity”, or “Qi”, is used to describe the continuous use of water delivered from a source through a diversion. Qi is measured as a rate of flow over some period, usually quantified in terms of cubic feet per second. Qi values related to this discussion have been converted to million gallons per day (MGD) by multiplying the cubic feet per second value by the number of seconds in a 24-hour period.

Appendix C provides updated copies of the PUD’s Water Right Self-Assessment forms for the Judy System and satellite systems.

3.4.1.2 Judy System Water Right Changes

Skagit PUD has implemented water right changes prescribed and authorized in the 1996 MOA for its Gilligan Creek, Mundt Creek, Skagit River, Salmon Creek, and Turner Creek surface water sources. These specific changes enable the PUD to divert authorized instantaneous and annual quantities from either its Cultus Mountain sources or the Skagit mainstem pump station, subject to applicable instream flows being met at either point of diversion and the 1996 MOA Qi limit of 55.39 cfs/35.80 mgd. The PUD is further authorized under its senior Cultus Mountain and Skagit River water rights and the 1996 MOA to divert 40.10 cfs from the Skagit River when Skagit River instream flows are not being met. A detailed description of water rights changes was included in the PUD’s 2021 WSP Limited Update.

The PUD has also temporarily transferred water rights to Skagit County Drainage and Irrigation Improvement District #15 and Skagit County Consolidated Diking Improvement District #22 on multiple occasions since 2015. These changes authorized the PUD to temporarily transfer water rights to downstream points of diversion operated by these irrigation districts. A detailed description of these water rights changes through 2021 was included in the PUD’s 2021 WSP Limited Update.

The PUD continues to work with local irrigation districts and agricultural customers, in conjunction with ecology, to address seasonal water supply shortages.

3.4.1.3 Judy System Water Rights Evaluation

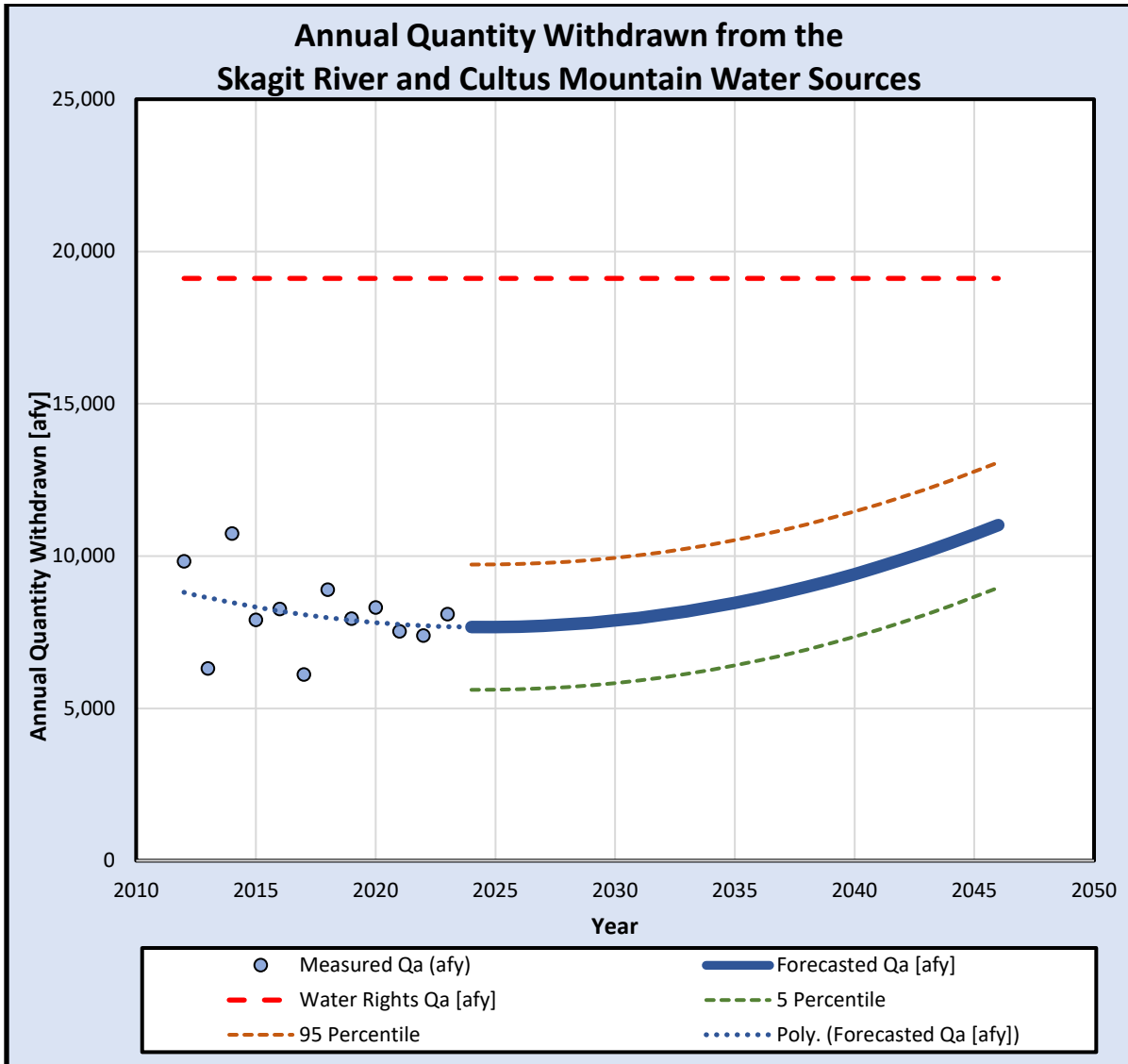
The current source production for the Judy System has reached a maximum annual quantity of 10,748 afy and a maximum instantaneous flow rate of 55.1 cfs. The 11-year (2035) annual quantity is forecasted to be 8,465.86 afy, and the 22-year (2046) annual quantity is forecasted to be 11,018.45 afy. The maximum instantaneous flow rate is forecasted to reach 55.39 cfs over the next 22 years regularly, and this rate has been reached in the past depending on operational needs.

The Judy System water rights authorize a maximum instantaneous withdrawal of 55.39 cfs, with 40.1 cfs not subject to the Skagit River instream flow, and an annual quantity of 19,117.4 afy, not including 4,300 afy authorized for reservoir bypass flushing. By comparing these water rights to the existing and projected system demands for the 10-year and 22-year planning periods, the PUD is forecasted to have adequate water rights beyond the 22-year planning period. The PUD estimates that these water rights will have sufficient annual quantity until approximately 2065. An updated water rights self-assessment form is included in **Appendix C**, and **Figure 3-2** describes the PUD’s water rights evaluation for the Judy System over the next 22 years.

While the PUD is forecasted to have adequate water rights beyond the 22-year planning period, it has identified a potential action to apply for a new water right to increase the Judy System's instantaneous withdrawal capability. This new interruptible water right could provide the PUD with more operational flexibility, and more research and analysis may be conducted in the future.

Unknown factors may result in additional future demand, such as new industrial or residential development beyond what is currently projected. The potential for these unknown demand needs has not been factored into the PUD’s current demand forecasting, but any impacts are anticipated to primarily affect demand beyond the 22-year horizon.

Figure 3-2: Judy System Water Rights Evaluation



3.4.1.4 Satellite System Water Rights Evaluation

The six satellite water systems have individual water rights, as described below. Each water system is self-contained with no interties to adjacent systems. Updated water rights self-assessment forms for each satellite system, except Potlatch Beach, are included in **Appendix C**. The Potlatch Beach System utilizes a saltwater source and does not need a water right. As described in Table 3-4 and the attached water rights self-assessment forms, the five satellite water systems utilizing groundwater sources have adequate water rights for the twenty-year planning period.

10 MISCELLANEOUS DOCUMENTS

This chapter provides documentation on compliance with the requirements of the State Environmental Policy Act (Chapter 43.21 RCW), agreements referenced in the Water System Plan, and correspondence and associated comments from state and local government entities and adjacent water systems.

10.1 State Environment Policy Act

Skagit PUD prepared a State Environmental Policy Act [SEPA] Environmental Checklist per Chapter 43.21 RCW and WAC 246-290-100. Based on the checklist assessment, a Determination of Non-Significance [DNS] was issued. A copy of the SEPA Checklist and DNS are provided in **Appendix A**.

10.2 Agreements

Over the years, Skagit PUD has established a water delivery system for its customers, guided partly by a series of agreements focused on water management within Skagit County. This section outlines the key agreements that shape the PUD's water service policies and details the PUD's role and obligations in supplying water.

10.2.1 1996 Memorandum of Agreement

In 1996, representatives from several important stakeholder groups including the PUD, the City of Anacortes, Skagit County, the Upper Skagit Indian Tribe, the Swinomish Indian Tribal Community, the Sauk-Suiattle Indian Tribe, Washington State Department of Ecology (Ecology), and Washington Department of Fish and Wildlife signed the Memorandum of Agreement Regarding Utilization of Skagit River Basin Water Resources for Instream and Out Of Stream Purposes (MOA). The agreement was intended to shape water use policy over the next 50 years. According to the MOA, its purpose was to do the following:

- Ensure instream flows are established to protect fisheries resources and mitigate any interference with such flows.
- Provide a mechanism for the coordinated management of water resources and to meet the out-of-stream needs of the Swinomish Tribal Community, Upper Skagit River Tribe, Sauk-Suiattle Indian tribes, local governments, and public water purveyors in Skagit County.
- Avoid litigation or adjudication between parties to the agreement.
- Help expedite Ecology's water rights decision-making within the CWSP service area.
- Modify the CWSP to conform to the agreement and incorporate the agreement into Anacortes' and Skagit PUD's JOA.

In addition, specific water rights for Anacortes and Skagit PUD were documented as part of the MOA. Chapter 3 of this Water System Plan includes a detailed discussion of the PUD's water rights related to the MOA. This Water System Plan acknowledges the agreements documented in the MOA and is

consistent with the intent and arrangements made in that accord. The MOA expires in 2046 and is on the PUD’s website. A link to this document can be found in **Appendix F**.

The six satellite water systems were not discussed in the MOA.

10.2.2 Joint Operating Agreements

The 2000 CWSP identified Skagit PUD and the City of Anacortes as the responsible entities for serving growth in urban areas. Accordingly, the PUD and Anacortes implemented a Joint Operating Agreement (JOA) to develop shared regional water supply facilities. A copy of the JOA is included in **Appendix D**. Under the terms of the JOA, Skagit PUD, and Anacortes agreed to pursue joint-use facilities for their mutual benefit, especially those that would provide a backup supply from one utility to the other during an emergency shutdown or catastrophic failure. Such facilities may include strategically located interties (preferably two-way), distribution storage tanks, and new or improved water treatment facilities. The Riverbend Intertie was the first facility developed under the JOA, and the 1996 MOA was an outgrowth of the JOA. Additional or expanded interties must first consider and plan for in-county consumptive and non-consumptive needs, then consider demands outside the County.

10.2.3 Customer Agreements

Skagit PUD has water service agreements with two wholesale water purchasers and one retail water purchaser. Skagit PUD currently wholesales water to two customers: Samish Farms Water District and North Fir Island Water Association. This section briefly discusses the details of each agreement. The wholesale agreements provided in **Appendix D** list more detailed information regarding the quantity of water, points of delivery, water quality, rates and charges, and other subjects. This section discusses these customer service agreements.

10.2.3.1 Samish Farms Water District

Skagit PUD has a water supply agreement with the Samish Farms Water District. This 25-year agreement took effect April 30, 1996, and may be extended at the option of either party with the consent of the other. This agreement was recently extended in 2022; Skagit PUD agrees to provide no less than 810,000 cubic feet of water per calendar month and no more than 1,100,000 cubic feet of water per calendar month.

10.2.3.2 North Fir Island Water Association

Skagit PUD has a water supply agreement with the North Fir Island Water Association. The original agreement took effect July 5, 1983. The contract is not to exceed 25 years from the date of execution but may be extended at the option of either party with the consent of the other for an additional 3-year period. Skagit PUD agrees to provide no more than 125 gallons per minute at the delivery point. The PUD is working to renew this agreement.

Skagit PUD - Summary of Temporary Water Rights Transfers 2015-2026

	2015	2015	2019	2021	2023	2024-2026
Type of water rights change	Temporary Drought	Temporary Drought	Temporary Drought	Temporary Drought	Temporary Drought	Seasonal
Duration	One 24-hour period	July 2-September 30	August 10-31	August 14-October 15	July 24-September 30	May 15-September 30
Instantaneous limit - DIID 15	20 cfs (shared)	5 cfs (shared)	8.91 cfs	8.91 cfs	7.42 cfs	5.57 cfs
Instantaneous limit - CDID 22	20 cfs (shared)	5 cfs (shared)	5.6 cfs	5.6 cfs	7.3 cfs	5.57 cfs
Instantaneous limit - Skagit Valley Farm	-	-	-	-	-	2 cfs
Instantaneous limit - WDFW (2026 only)	-	-	-	-	-	0.05 cfs (2026)
Total instantaneous limit	20 cfs	5 cfs	14.51 cfs	14.51 cfs	14.7 cfs	13.14 cfs (13.19 cfs-2026)
Other restrictions	None	Tidal restrictions	Tidal restrictions	Tidal restrictions	Tidal restrictions	SRD pump restrictions

2026 Temporary Water Rights Transfer Plan - Water Rights Allocations

	cfs	gpm
PUD maximum senior water right Qi	40.10	17,997
Qi allocated to transfer customers	13.19	5,920
Qi allocated to PUD SRD	11.62	5,215
Total Qi allocated during transfer	24.81	11,135
Unallocated senior water right Qi during transfer	15.29	6,862

PUD Senior water rights allocated for transfer program

Source	Water Right	gpm	cfs	mgd	Hrs/day	gpd	af/day	Days	Total af	Customer
Skagit River	GWP 3350	2,500	5.57	3.60	24	3,599,735	11.05	90	994	DIID 15
Turner Ck (or Skagit)	S1-00739C	2,500	5.57	3.60	24	3,599,735	11.05	90	994	CDID 22
Skagit River	GWP 3350	898	2.00	1.29	24	1,292,544	3.97	100	397	SVF
Skagit River	GWP 3350	22	0.05	0.03	24	32,314	0.10	100	10	WDFW
Total		5,920	13.19	8.5		8,524,328	26.2		2,395	

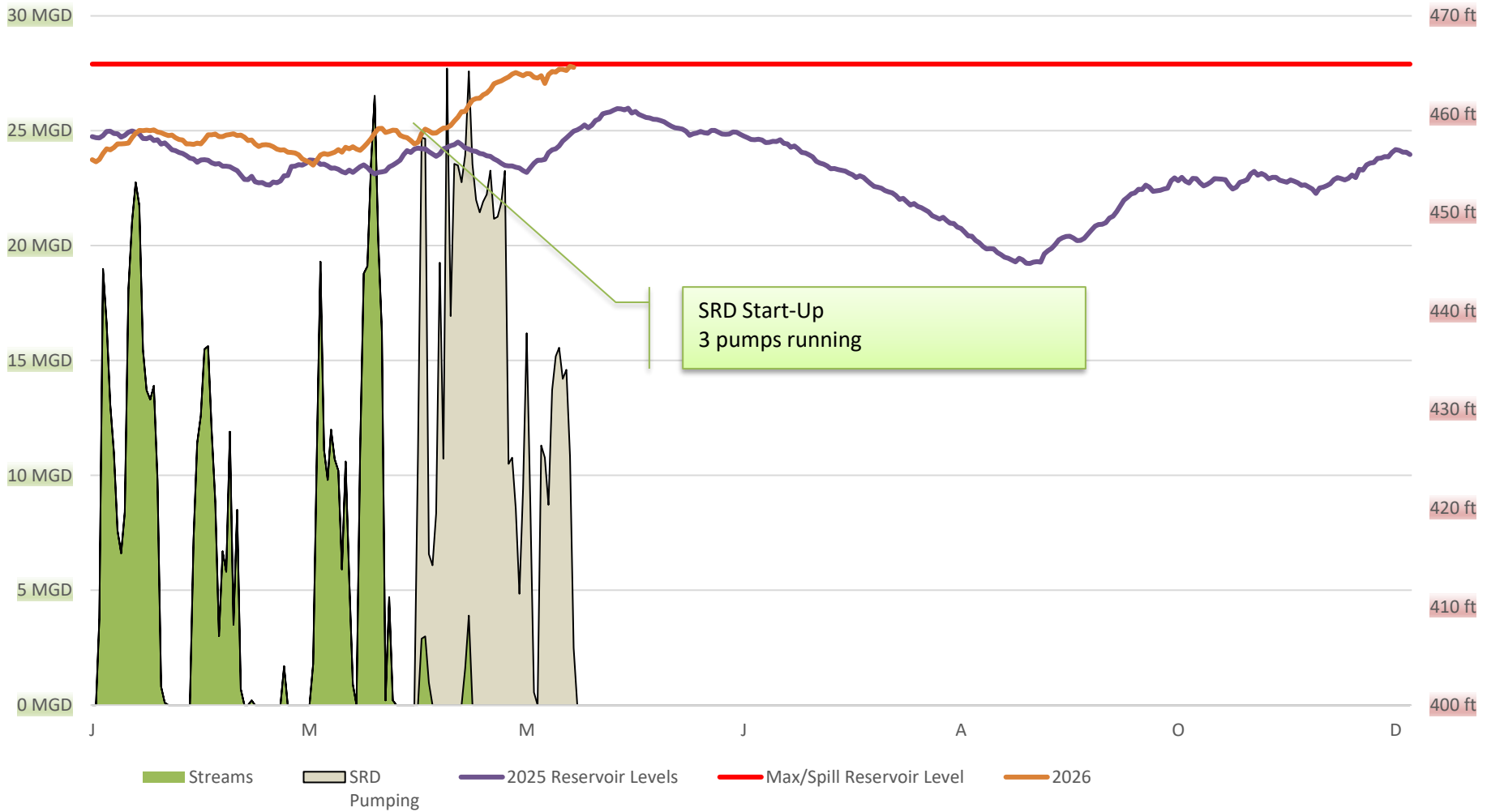
PUD Senior water rights allocated for Skagit PUD SRD during transfer

Source	Water Right	gpm	cfs	mgd	af/day	Days	Total af
Gilligan Ck (or Skagit)	SWC 411	0		0.00	0.00		0
Gilligan Ck (or Skagit)	S1-00724C	0		0.00	0.00		0
Skagit River	GWP 2911	898	2.00	1.29	3.97	90	357
Skagit River	GWP 3350	579	1.29	0.83	2.56	90	230
Salmon Ck (or Skagit)	Claim 9332	808	1.80	1.16	3.57	90	321
Turner Ck (or Skagit)	Claim 9333	1,930	4.30	2.78	8.53	90	768
Turner Ck (or Skagit)	S1-00739C	283	0.63	0.41	1.25	90	112
Mundt Creek (or Skagit)	SWC 26	718	1.60	1.03	3.17	90	286
Mundt Creek (or Skagit)	S1-00737C	0		0.00	0.00		0
Total		5,215	11.62	7.5			2074

PUD Senior Water Rights		Qi (cfs)		
		Limit	Allocated	Unallocated
Gilligan Ck (or Skagit)	SWC 411	1.5	0.00	1.5
Gilligan Ck (or Skagit)	S1-00724C	7.39	0.00	7.39
Mundt Creek (or Skagit)	SWC 26	2.5	1.60	0.9
Mundt Creek (or Skagit)	S1-00737C	5.5	0.00	5.5
Turner Ck (or Skagit)	Claim 9333	4.3	4.30	0
Turner Ck (or Skagit)	S1-00739C	6.2	6.20	0
Salmon Ck (or Skagit)	Claim 9332	1.8	1.80	0
Skagit River	GWP 2911	2	2.00	0
Skagit River	GWP 3350	8.91	8.91	0
Total		40.1	24.81	15.29

2026 Judy Reservoir Inflows & Elevation

May 07 Elevation:	464.04 (ft)
May 14 Elevation:	464.78 (ft)
Change in Elevation:	0.74 (+ 8.9 Inches)
Spillway Elevation:	465.10
Stream Inflow YTD:	306.39 MG
Skagit River YTD:	673.77 MG



5-YEAR JUDY RESERVOIR ELEVATIONS

