PLEDGE OF ALLEGIANCE

CONSENT AGENDA
1. Approval of Agenda 12/10/19
2. Approval of Minutes: 11/12/19 Commission Meeting; 11/19/19 Work Session
3. Ratification of Vouchers 11/19/19, 11/26/19, and 12/3/19
4. Voucher Approval 12/10/19
5. Project Acceptance:
   Pacific Woodtech DCDA Relocation (Burlington)
   North Cascade Plaza, SR 20 (Sedro Woolley)
6. Surplus Property – HP Design Jet Printer Plotter

TREASURER’S REPORT – OCTOBER 2019

SkagitNET 2020 Plan of Operations and Budget - Action

AUDIENCE COMMENTS

OLD BUSINESS
7. Manager’s Report
8. Quarterly Report – Operations Department
9. Fidalgo Island Water System Memorandum of Understanding - Action
10. Funding Options for Capital Improvement Projects

NEW BUSINESS
11. Resolution No. 2268-19 - Establishing Positions and Salary Ranges for Non-Union Staff and Supervising Employees – Action
12. Paid Family Medical Leave Plan Revisions – Action
13. Resolution No. 2269-19 – Creating a New Water Rate for Agricultural Uses - Action
14. Frontier Communications – Judy Reservoir to Mount Vernon Transmission Pipeline, Phase II Project – Action
15. HDR Contract Design Modification - Judy Reservoir to Mount Vernon Transmission Pipeline, Phase II Project - Action
16. 2020 Proposed Commission Meeting Dates - Discussion

INFORMATION
17. Letter of Intent to Participate in Skagit County Hazard Mitigation Plan
18. Safety Practice & Procedure #3007
19. Little Mountain Road Funding Request Letter
20. Judy Reservoir Data Report
21. Meter Statistics
22. Recent News Articles

COMMISSIONER COMMENTS

ADJOURNMENT
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, on November 12, 2019.

Commissioners Present: Eron Berg, President; Al Littlefield, Vice President; and Joe Lindquist, Secretary.

Staff Present: George Sidhu, Brian Henshaw, Mark Handzlik, Kevin Tate, Mark Semrau, Sally Saxton, Sam Shipp, Luis Gonzalez, Michael Demers, Mike Fox, Jay Sedivy, Kathy White, District Attorney Peter Gilbert, and Deana Dean.

Other Parties Present: Judy Littlefield, Dale Ragan, Andrew Entrikin, and Rick Pitt. Others may have been present but were not identified.

Commissioner Berg called the meeting to order at 4:30 p.m. and the Pledge of Allegiance followed.

CONSENT AGENDA
Commissioner Lindquist moved to approve the Consent Agenda for November 12, 2019 which was passed unanimously.

1. Approval of Agenda 11/12/19
2. Approval of Minutes: 10/22/19 Commission Meeting; 10/15/19 and 10/29/19 Budget Work Sessions
3. Ratification of Vouchers: 10/29/19 - No. 2890: Accounts Payable Voucher No. 16803 – 16862 ($187,319.76), Electronic Funds Transfer ($73,135.34)
   Payroll Electronic Funds Transfers and checks No. 028376-028459 ($183,544.03).

   11/05/19 - No. 2891: Accounts Payable Voucher No. 16863 – 16911 ($254,418.23), Electronic Funds Transfer ($2,442.90),
   Voucher Approval: 11/12/19 – No. 2892, Accounts Payable Voucher No. 16912-16982 ($393,708.72), Electronic Funds Transfer ($70,644.17), Payroll Electronic Funds Transfers and checks No. 028544-028627 ($183,338.43).

   11/12/19 – No. 2893: Accounts Payable Voucher No. 16983 ($1,292.37)
4. Project Acceptance –
   Highland Greens Division III (Mount Vernon)
   Ranney Well Decommission (Mount Vernon)
   Conway I-5 Crossing Project (Conway)
   East Division Street, Elementary School (Mount Vernon)
SKAGITNET UPDATE
Andrew Entrikin, Broadband Manager/SkagitNet Manager, from Port of Skagit provided an update on SkagitNet at the local and state level including finalizing the LLC with other port districts, timeline for the 2020 budget, funding opportunities, responses to outages, franchise agreement, and build out phase. Commissioner questions and comments followed.

AUDIENCE COMMENTS
Dale Ragan commented on the decommissioning of Ranney Well and land surplus.


OLD BUSINESS
5. Manager’s Report
General Manager George Sidhu provided an update which included:
• He provided a presentation at the October 24, 2019 North Puget Sound Association of Realtors in Mt. Vernon.
• The RFP for the document management project has been issued with a pre-proposal conference schedule for November 19, 2019. Responses to the RFP are due December 10, 2019 at which point the evaluation team will score the submissions. Product demonstrations will occur end of this year or early next year.
• The remaining Commission meetings include a work session on November 19, 2019 at 4:00 p.m. to include cross connection control, discussion of facility, and funding for capital improvement projects. The regularly scheduled Commission meeting on November 26, 2019 may be cancelled depending on action items this evening.

6. Safety Quarterly Report
Safety and Risk Coordinator Jay Sedivy provided an update on what has been happening since his last update in June. Projects and accomplishments include 200+ confined spaces inventoried and assessed, 60+ hours of training delivered, SAW reimbursements, reimbursement for totaled District van, Skagit DEM Annex, adoption of new traffic control practice, 40+ site safety visits/consults, assisted with Rockport system GIS effort, assisted with document management project, and lowering of the experience modification rate to .92. Future work includes emergency planning outreach, research/apply for grants for EDG for WTP, internal training software, WTP emergency escape devices, eyewash stations, continue safety committee SP&P work, complete R/R assessment and ERP, continue familiarization with District systems, lead District in regional and industry safety standards, and continue finding financial innovations in risk management.
NEW BUSINESS
   General Manager George Sidhu introduced the Resolution and proposed rates. Finance Manager Brian Henshaw spoke in detail to the rates as outlined in the proposed Resolution and memo. Commissioner comments and questions followed.

   Commissioner Berg opened the meeting to the public at 5:25 p.m. No one wishing to speak, Commissioner Lindquist moved to approve Resolution 2266-19, establishing Water Rates, Fees, Charges, and Deposits for the years 2020-2024 which was unanimously approved.

9. Resolution No. 2267-19: Adoption of 2020 Budget
   George discussed the proposed Resolution, revised budget, and cover memo including changes since the draft budget was introduced. Brian provided an explanation to some of the changes including salary and wages, professional services, and the resiliency assessment and study.

   Commissioner Lindquist moved to approve Resolution No. 2267-19, a Resolution of the Commission of the Public Utility District No. 1 of Skagit County, Washington, adopting the final budget for the calendar year 2020 which was unanimously approved.

10. Memorandum of Understanding with City of Anacortes for Fidalgo Island Water System
   George provided a brief summary and noted that this item is to indicate the District and City of Anacortes’ intent to continue discussions regarding transfer of the Fidalgo Water System. No action will be taken before details are finalized and a public outreach process occurs. Commissioner Littlefield provided comments on reservoir and potential capital savings. Commissioner Berg commented on his desire to see a public process and suggested a framework agreement be brought to the December meeting.

INFORMATION
11. General Manager Goals for 2020
12. Memo regarding Designation of Acting General Manager in General Manager’s Absence
13. EPA Fact Sheet: Protecting Source Water with the Drinking Water State Revolving Fund Set-Asides
14. Judy Reservoir Data Report

COMMISSIONER COMMENTS
Commissioner Lindquist noted he will be attending the Skagit Council of Governments meeting next Wednesday. Commissioner Littlefield noted he will be attending the
WPUDA meetings in Olympia and Commissioner Berg indicated he attended the PURMS annual meeting.

**EXECUTIVE SESSION**
Commissioner Berg announced the need for an executive session to review litigation that the agency reasonably believes may be commenced by or against the agency, the governing body, or a member acting in an official capacity – per RCW 42.30.110(1)(i)(ii) for approximately 20-30 minutes. He stated there would be no action following the executive session.

The Commission recessed at 5:43 p.m. and reconvened at 6:40 p.m.

**ADJOURNMENT**
With no further business to come before the Board, the meeting was adjourned at 6:40 p.m.

Respectfully submitted:

__________________________
Deana Dean
Clerk of the Board
Budget Work Session #1 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, on November 19, 2019.

Commissioners Present: Eron Berg, President; Al Littlefield, Vice President; and Joe Lindquist, Secretary.

Staff Present: George Sidhu, Brian Henshaw, Mike Fox, Sam Shipp, Mark Handzlik, Cort Wilson, Courtney Shilling, Kevin Tate, Kathy White, Ed Heidt, District Attorney Peter Gilbert, and Deana Dean.

Other Parties Known to be Present: Brandon Stone and Judy Littlefield

Commissioner Berg called the meeting to order at 4:00 p.m.

**FUNDING OPTIONS FOR CAPITAL IMPROVEMENT PROJECTS**
Finance Manager Brian Henshaw reviewed, by PowerPoint, an update on funding goals. Discussion was held on potential options - bank loan versus bond – followed by commissioner questions and comments.

**CAMPUS FEASIBILITY ANALYSIS**
Capital Projects Manager Sam Shipp summarized, by PowerPoint, the facility assessment report of the new District headquarters including the three options and their cost estimates. Discussion followed with commissioner comments and questions. Staff will contact the City of Mount Vernon regarding permitting requirements and review the needs assessment to see if any changes can be made. This matter may appear on the December 10, 2019 regular meeting if there is an update.

**CROSS-CONNECTION CONTROL INCENTIVE PROGRAM DISCUSSION**
Engineering Manager Mark Handzlik reviewed, by PowerPoint, the proposed changes to the Cross-Connection Control Manual. Discussion was held regarding enforcement and incentive options on installation of cross-connection devices to bring customers into compliance with WAC 246-290-490. Commissioner questions and comments followed.

**ADJOURNMENT**
With no further business to come before the Board, the work session was adjourned at 5:25 p.m.

Respectfully submitted:

_________________________
Deana Dean
Clerk of the Board
December 10, 2019

Board of Commissioners
Public Utility District No. 1 of Skagit County
Post Office Box 1436
1415 Freeway Drive
Mount Vernon, WA  98273-1436

RE:  Project Acceptance

Name of Project: Pacific Woodtech DCDA Relocation
Reference: C.O. # 5036, Project # 3759
Location: Burlington
Developer: Pacific Woodtech Corporation
Contractor: Decker Construction Inc

Gentlemen:

The District 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.

I recommend that the Commission of the District accept this project.

Respectfully submitted,

Mark C. Handzlik, P.E.
Engineering Manager

Attachment

cc:  George Sidhu, P.E., General Manager
     Michael E. Demers, Engineering Technician
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 use of the map assumes all responsibility for use thereof, and further agrees to hold the PUD #1 of Skagit County harmless from any claim, loss, or liability arising from the use of this map.
December 10, 2019

Board of Commissioners  
Public Utility District No. 1 of Skagit County  
Post Office Box 1436  
1415 Freeway Drive  
Mount Vernon, WA  98273-1436

RE:  Project Acceptance

Name of Project: North Cascade Plaza, SR20  
Reference: C.O. # 4976, Project # 3687  
Location: Sedro Woolley  
Developer: Larry Campbell  
Contractor: Fisher Construction Group, Inc.

Gentlemen:

The District 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.

I recommend that the Commission of the District accept this project.

Respectfully submitted,

Mark C. Handzlik, P.E.  
Engineering Manager

Attachment

cc: George Sidhu, P.E., General Manager  
   Michael E. Demers, Engineering Technician
December 10, 2019

TO: George Sidhu, P.E., General Manager
Commissioners

FROM: Brian Henshaw, Finance Manager

SUBJECT: Recommendation for Removal of a Capital Asset from the Fixed Asset LEDger Surplus to the District’s needs

Requested Action:
Retire asset number 391-2990 from the fixed asset ledger.

Background:
Per our Fixed and Tagged Asset Policy #1022, capital assets that are surplus to the District’s needs may be removed from the fixed asset ledger by motion and approval of the Commission.

<table>
<thead>
<tr>
<th>Fixed Asset Number</th>
<th>Description</th>
<th>Purchase Year</th>
<th>Amount</th>
<th>Reason for Removal</th>
<th>Method of Disposal</th>
</tr>
</thead>
<tbody>
<tr>
<td>391-2990</td>
<td>HP Design Jet Printer Plotter</td>
<td>2012</td>
<td>$18,400.76</td>
<td>End of Economic Life</td>
<td>Sale/Auction</td>
</tr>
</tbody>
</table>
Balance of District Funds

- General Revenue: $9,960,115 (58%)
- System Development: $5,002,490 (29%)
- Bond Reserve: $1,341,158 (8%)
- Total Funds: $17,186,345 (100%)

Investment of District Funds

- LGIP: $14,043,527 (82%)
- Cash: $1,084,923 (6%)
- Govt Securities: $2,057,895 (12%)
- Total Funds: $17,186,345 (100%)

Interest Rate vs. Month

- LGIP
- FNMA
- RFC
- 2 YR Treasury

Market Value vs. Face Value of Government Securities

- Fed Natl Mtg Assn (mat 7/20)
- Resolute Funding Corp (mat 7/20)
- Face Value (mat 10/19)
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Water Customer Receipts</strong></td>
<td>2,327,397</td>
<td>2,327,397</td>
<td>3.9%</td>
</tr>
<tr>
<td><strong>System Development Fees</strong></td>
<td>206,448</td>
<td>206,448</td>
<td>29.0%</td>
</tr>
<tr>
<td><strong>Capital Contributions</strong></td>
<td>162,458</td>
<td>162,458</td>
<td>39.6%</td>
</tr>
<tr>
<td><strong>Grants</strong></td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Investment Income</strong></td>
<td>25,928</td>
<td>8,171</td>
<td>2,782</td>
</tr>
<tr>
<td><strong>Non-Operating Revenues</strong></td>
<td>13,355</td>
<td>13,355</td>
<td>268.5%</td>
</tr>
<tr>
<td><strong>Total External Revenue</strong></td>
<td>2,529,139</td>
<td>379</td>
<td>214,619</td>
</tr>
<tr>
<td><strong>Debt Proceeds</strong></td>
<td>1,148,849</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Debt Proceeds</strong></td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>2,529,139</td>
<td>379</td>
<td>214,619</td>
</tr>
<tr>
<td><strong>Operating Expenditures</strong></td>
<td>1,366,492</td>
<td>1,366,492</td>
<td>30.0%</td>
</tr>
<tr>
<td><strong>Total Operating Expenditures</strong></td>
<td>1,509,790</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Capital Expenditures</strong></td>
<td>1,948,982</td>
<td>217,626</td>
<td>2,166,608</td>
</tr>
<tr>
<td><strong>Total Capital Expenditures</strong></td>
<td>1,948,982</td>
<td>217,626</td>
<td>2,166,608</td>
</tr>
<tr>
<td><strong>Debt Service Payments</strong></td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Debt Service Payments</strong></td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>3,740,405</td>
<td>217,626</td>
<td>0</td>
</tr>
</tbody>
</table>

Services sold:
- ERU's: 42 33 25 9
- Services: 31 29 27 8
- Re-Activations (under 10 years): 4 8 6 5
- Re-Activations (over 10 years): 1 0 1 0
### Resources:

| External Revenue: | 21,055,958 | 21,055,958 | 24,833,720 | 94.79% | 19,356,550 | 18,122,438 | 15,565,977 |
| - Water Customer Receipts | 21,055,958 | 21,055,958 | 24,833,720 | 94.79% | 19,356,550 | 18,122,438 | 15,565,977 |
| - System Development Fees | 1,416,568 | 1,416,568 | 1,599,000 | 88.81% | 1,504,361 | 1,268,238 | 1,113,158 |
| - Capital Contributions | 1,091,620 | 1,091,620 | 1,599,500 | 88.25% | 1,431,321 | 1,355,156 | 1,088,392 |
| - Grants | | | | | 412,950 | 0 | 87,341 |
| - LUD Assessments, Interest, Penalties | 150,072 | 75,036 | 239,000 | 31.53% | 151,246 | 226,567 | 166,095 |
| - Investment Income | 142,251 | 142,251 | 108,801 | 38.61% | 58,814 | 58,814 | 89,149 |
| - Non-Operating Revenues | 15,405,929 | 1,416,568 | 1,599,000 | 88.81% | 1,091,620 | 1,355,156 | 1,088,392 |
| Total External Revenue | 22,478,970 | 22,478,970 | 21,055,958 | 94.79% | 21,055,958 | 18,122,438 | 15,565,977 |

| Debt Proceeds: | | | | | | | |
| - Debt Proceeds - DWSRF Loan (Mt. View) | 1,112,100 | 2,962,410 | 3,984,027 | 824,664 |
| - Debt Proceeds - Bonds | 0 | 0 | 0 | 6,300,000 |
| Total Debt Proceeds | 0 | 0 | 0 | 0 | 5,112,100 | 0.00% |

| Transfers from Other Funds | 923,277 | 0 | 0 | 2,972,984 | 3,614,629 | 5,279,400 | 68.47% | 7,339,092 | 6,407,141 | 6,873,139 |

| Total Revenue | 23,402,247 | 23,402,247 | 23,402,247 | 91.96% | 34,620,851 | 31,651,099 | 32,152,718 |

### Uses:

| Operating Expenditures: | | | | | | | |
| - Operations and Maintenance | 11,405,929 | 11,405,929 | 12,674,367 | 89.99% | 10,824,426 | 9,829,223 | 9,636,261 |
| - Taxes | 1,193,686 | 1,193,686 | 1,250,000 | 95.49% | 965,534 | 1,001,864 | 797,552 |
| Total Operating Expenditures | 12,599,615 | 12,599,615 | 12,674,367 | 89.99% | 11,786,960 | 10,831,087 | 10,433,813 |

| Capital Expenditures: | | | | | | | |
| - Capital Projects | 3,571,958 | 4,678,551 | 8,250,509 | 19,942,336 | 41.37% | 7,850,780 | 11,946,583 | 6,222,633 |
| Total Capital Expenditures | 3,571,958 | 4,678,551 | 8,250,509 | 19,942,336 | 41.37% | 7,850,780 | 11,946,583 | 6,222,633 |

| Debt Service Payments: | | | | | | | |
| - Federal Tax Credit for 2009B Bonds | (30,039) | (30,039) | (64,048) | 46.90% | (31,601) | (33,058) | (33,093) |
| - Principal & Interest Payments | 3,280,605 | 3,280,605 | 3,399,076 | 96.52% | 3,051,172 | 3,344,829 | 2,789,133 |
| Total Debt Service Payments | 0 | 0 | 0 | 3,250,566 | 3,250,566 | 3,334,930 | 97.47% | 3,191,571 | 3,111,771 | 2,790,042 |

| Transfers to Other Funds | 3,519,765 | 0 | 0 | 3,519,765 | 0 | 0 | 66.67% | 7,339,092 | 6,407,141 | 6,873,139 |

| Total Expenditures | 19,691,338 | 19,691,338 | 19,691,338 | 65.02% | 29,999,403 | 32,496,582 | 26,285,625 |

### Services sold:
- ERU's: 278 282 286 209
- Service Users: 192 249 246 196
- Re-Activations (under 10 years): 37 49 76 74
- Re-Activations (over 10 years): 2 0 9 3
<table>
<thead>
<tr>
<th>Year</th>
<th>Principal</th>
<th>Interest</th>
<th>Interest Rate Range</th>
<th>Principal</th>
<th>Interest</th>
<th>Interest Rate Range</th>
<th>Principal</th>
<th>Interest</th>
<th>Interest Rate Range</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>681,615</td>
<td>365,842</td>
<td>2.65% 3.79%</td>
<td>49,502</td>
<td>22,499</td>
<td>2.00%</td>
<td>1,468,708</td>
<td>10,150</td>
<td>0.25% 0.50%</td>
<td>$3,518,316</td>
</tr>
<tr>
<td>2021</td>
<td>703,905</td>
<td>344,067</td>
<td>2.65% 3.79%</td>
<td>50,501</td>
<td>21,500</td>
<td>2.00%</td>
<td>1,468,708</td>
<td>13,185</td>
<td>0.25% 0.50%</td>
<td>$3,501,391</td>
</tr>
<tr>
<td>2022</td>
<td>720,832</td>
<td>322,168</td>
<td>2.65% 3.79%</td>
<td>51,520</td>
<td>20,481</td>
<td>2.00%</td>
<td>926,284</td>
<td>7,220</td>
<td>0.25% 0.50%</td>
<td>$2,786,347</td>
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<tr>
<td>2023</td>
<td>748,079</td>
<td>300,368</td>
<td>2.65% 3.79%</td>
<td>52,660</td>
<td>19,441</td>
<td>2.00%</td>
<td>363,789</td>
<td>3,966</td>
<td>0.25% 0.50%</td>
<td>$2,100,623</td>
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<tr>
<td>2024</td>
<td>770,094</td>
<td>277,424</td>
<td>2.65% 3.79%</td>
<td>53,621</td>
<td>18,380</td>
<td>2.00%</td>
<td>363,789</td>
<td>3,526</td>
<td>0.25% 0.50%</td>
<td>$2,092,079</td>
</tr>
<tr>
<td>2025</td>
<td>793,555</td>
<td>252,985</td>
<td>2.65% 3.79%</td>
<td>54,703</td>
<td>17,298</td>
<td>2.00%</td>
<td>363,789</td>
<td>3,085</td>
<td>0.25% 0.50%</td>
<td>$2,083,157</td>
</tr>
<tr>
<td>2026</td>
<td>816,816</td>
<td>228,368</td>
<td>2.65% 3.79%</td>
<td>55,807</td>
<td>16,194</td>
<td>2.00%</td>
<td>363,789</td>
<td>2,644</td>
<td>0.25% 0.50%</td>
<td>$2,073,858</td>
</tr>
<tr>
<td>2027</td>
<td>840,433</td>
<td>203,015</td>
<td>3.79% 10.00%</td>
<td>56,934</td>
<td>15,067</td>
<td>2.00%</td>
<td>363,789</td>
<td>2,204</td>
<td>0.25% 0.50%</td>
<td>$2,064,178</td>
</tr>
<tr>
<td>2028</td>
<td>869,002</td>
<td>177,332</td>
<td>3.79% 10.00%</td>
<td>58,083</td>
<td>13,918</td>
<td>2.00%</td>
<td>363,789</td>
<td>1,763</td>
<td>0.25% 0.50%</td>
<td>$2,059,120</td>
</tr>
<tr>
<td>2029</td>
<td>893,763</td>
<td>149,869</td>
<td>3.79% 10.00%</td>
<td>59,255</td>
<td>12,746</td>
<td>2.00%</td>
<td>363,789</td>
<td>1,322</td>
<td>0.25% 0.50%</td>
<td>$2,048,495</td>
</tr>
<tr>
<td>2030</td>
<td>563,508</td>
<td>122,084</td>
<td>10.00%</td>
<td>60,451</td>
<td>11,550</td>
<td>2.00%</td>
<td>363,789</td>
<td>881</td>
<td>0.25% 0.50%</td>
<td>$1,682,491</td>
</tr>
<tr>
<td>2031</td>
<td>578,648</td>
<td>106,944</td>
<td>10.00%</td>
<td>61,672</td>
<td>10,330</td>
<td>2.00%</td>
<td>363,789</td>
<td>441</td>
<td>0.25% 0.50%</td>
<td>$1,674,547</td>
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<td>2032</td>
<td>593,945</td>
<td>91,647</td>
<td>10.00%</td>
<td>62,916</td>
<td>9,065</td>
<td>2.00%</td>
<td>363,789</td>
<td></td>
<td></td>
<td>$1,302,814</td>
</tr>
<tr>
<td>2033</td>
<td>610,153</td>
<td>75,439</td>
<td>10.00%</td>
<td>64,186</td>
<td>7,815</td>
<td>2.00%</td>
<td>363,789</td>
<td></td>
<td></td>
<td>$1,295,311</td>
</tr>
<tr>
<td>2034</td>
<td>626,547</td>
<td>59,045</td>
<td>10.00%</td>
<td>65,482</td>
<td>6,519</td>
<td>2.00%</td>
<td>363,789</td>
<td></td>
<td></td>
<td>$1,287,806</td>
</tr>
<tr>
<td>2035</td>
<td>643,381</td>
<td>42,211</td>
<td>10.00%</td>
<td>66,804</td>
<td>5,198</td>
<td>2.00%</td>
<td>363,789</td>
<td></td>
<td></td>
<td>$1,280,305</td>
</tr>
<tr>
<td>2036</td>
<td>660,599</td>
<td>24,923</td>
<td>10.00%</td>
<td>68,152</td>
<td>3,849</td>
<td>2.00%</td>
<td>363,789</td>
<td></td>
<td></td>
<td>$1,272,801</td>
</tr>
<tr>
<td>2037</td>
<td>687,064</td>
<td>7,176</td>
<td>10.00%</td>
<td>69,528</td>
<td>2,474</td>
<td>2.00%</td>
<td>363,789</td>
<td></td>
<td></td>
<td>$853,945</td>
</tr>
<tr>
<td>2038</td>
<td>678,345</td>
<td>1,070</td>
<td>2.00%</td>
<td>70,931</td>
<td>1,070</td>
<td>2.00%</td>
<td>363,789</td>
<td></td>
<td></td>
<td>$72,001</td>
</tr>
<tr>
<td>2039</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$0</td>
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<tr>
<td>2040</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$0</td>
</tr>
<tr>
<td></td>
<td>$12,381,938</td>
<td>$3,150,837</td>
<td></td>
<td>$1,132,510</td>
<td>$235,414</td>
<td></td>
<td>$7,137,805</td>
<td>$59,386</td>
<td></td>
<td>$35,049,589</td>
</tr>
</tbody>
</table>

**Change from previous month:** $0 | Bonds and PWTF payments

**Total Principal Outstanding:** $30,303,748  
**Total Interest Outstanding:** $4,745,841  
**Total Debt Repayment:** $35,049,589

**2019 Weighted Interest Rate:** 1.58%
SKAGITNET LLC
PLAN OF OPERATIONS

Port of Skagit
15400 Airport Drive
Burlington, Washington 98233

Public Utility District No. 1 of Skagit County
1415 Freeway Dr,
Mount Vernon, WA 98273

December 2019
# CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
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<td>3</td>
</tr>
<tr>
<td>Operating Framework</td>
<td>3</td>
</tr>
<tr>
<td>Legislative Authority</td>
<td>3</td>
</tr>
<tr>
<td>Operational Objectives</td>
<td>4</td>
</tr>
<tr>
<td>Contracting and Procurement</td>
<td>5</td>
</tr>
<tr>
<td>Delegation of Authority</td>
<td>5</td>
</tr>
<tr>
<td>Operational Activities</td>
<td>7</td>
</tr>
<tr>
<td>Operating Budget</td>
<td>8</td>
</tr>
<tr>
<td>Capital Budget</td>
<td>9</td>
</tr>
</tbody>
</table>
BACKGROUND AND GOALS

SkagitNet LLC is a joint operating entity of the Port of Skagit County (the “Port”), as Manager (“Manager”), and Skagit County Public Utility District No. 1 (the “PUD”). SkagitNet was formed for the purpose of providing wholesale telecommunication service in the form of a county-wide fiber optic backbone with the collective goals of:

- Providing rural and urban state-of-the-art digital communication services;
- Creating economic opportunities, including sustainable community wage jobs;
- Providing increased capacity to augment existing systems;
- Consolidating administration;
- Reducing administrative layering; and
- Reducing administrative costs.

OPERATING FRAMEWORK

SkagitNet will be operated as a dark fiber, open access network model. The model is a public-private partnership where a publicly owned fiber optic backbone is constructed and leased on a wholesale basis to telecommunication system carriers and service providers to deliver service to end-users. Customers of the network will include telecommunication providers licensed by the Utilities and Transportation Commission (UTC), including competitive local exchange carriers (CLECs), community internet service providers (ISPs), and wireless service providers. Customers will lease dark fiber for transport and backhaul capacity.

The network will also include provision of one primary and several ancillary carrier-neutral colocation facilities where providers can house electronics to serve the network. In addition to dark fiber leasing, SkagitNet will also offer rack space, climate control, and standby power in the colocation facilities for a monthly fee.

LEGISLATIVE AUTHORITY

Legislative authority for operation of SkagitNet can be found in the following statutes.

Port Authority: Chapter 53.08 RCW

PUD Authority Chapter 54.04 RCW

Public Works Chapter 39.04 RCW
# OPERATIONAL OBJECTIVES

<table>
<thead>
<tr>
<th>Objective</th>
<th>Action</th>
</tr>
</thead>
</table>
| Build and manage SkagitNet as a carrier grade system, with a high degree of reliability and responsiveness. | • Optical fiber within the network will meet industry standard performance and loss characteristics per OTDR (optical time-domain reflectometer) testing.  
  • Network will be served by a NOC (Network Operating Center) with 24/7 monitoring services and call-out response.  
  • Network routes will be designed to provide redundancy.  
  • Network will be served by on-call service contracts to provide 24/7 system maintenance, troubleshooting, and repair.  
  • Network will be managed with an adequate call-out list to provide after hours and emergency response in accordance with the service level standards specified in the Master Services Agreement. |
| Provide efficient, timely response to new service requests.              | • New service requests will be managed by a third-party contractor.  
  • Design services will be provided through established general services contract(s) with one or more qualified outside plant design firms.  
  • Service extensions will be constructed through small works contracting.  
  • Service installations and terminations will be completed by trained in-house staff or contracted service providers. |
| Manage SkagitNet as an open access, carrier neutral network.             | • Any provider on the network must be registered with the Washington Utilities and Transportation Commission as a telecommunications company.  
  • SkagitNet will not discriminate between providers seeking to lease capacity on the network. |
In the first two years of operation, SkagitNet intends to complete construction of the countywide fiber optic backbone along with elements of distribution systems in La Conner, Sedro-Woolley, and Concrete. In addition to these planned capital projects, SkagitNet will also need to be responsive to provider requests for new connections to end user premises. These anticipated connections and system expansion needs are provided for as a line item in the preliminary capital budget. Some portion of these expenses will be recovered in the form of non-reoccurring charges (NRC) to the provider. As the network matures, it is anticipated that the majority of end user connection expenses can be directly returned to the network through NRC’s.

DELEGATION OF AUTHORITY

Delegation of duties and authority levels will be as follows:

<table>
<thead>
<tr>
<th>ACTION</th>
<th>AUTHORIZED SIGNATORY</th>
<th>EXPENDITURE LEVEL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Works Contracts</td>
<td>SkagitNet Manager</td>
<td>$50,000</td>
</tr>
<tr>
<td></td>
<td>Port Executive Director and PUD General Manager</td>
<td>$300,000 if budgeted</td>
</tr>
<tr>
<td></td>
<td>Joint Port and PUD Commission</td>
<td>$300,000 if unbudgeted</td>
</tr>
<tr>
<td>Public Works Contract</td>
<td>Port Executive Director and PUD General Manager</td>
<td>&gt;$300,000 if budgeted</td>
</tr>
<tr>
<td></td>
<td>Joint Port and PUD Commission</td>
<td>&gt;$300,000 if unbudgeted</td>
</tr>
<tr>
<td>Purchased Service Contracts</td>
<td>SkagitNet Manager</td>
<td>Amount budgeted</td>
</tr>
<tr>
<td>(Services, Supplies, Utilities, Equipment)</td>
<td></td>
<td>$20,000 if unbudgeted</td>
</tr>
<tr>
<td>Professional Services</td>
<td>SkagitNet Manager</td>
<td>Amount budgeted</td>
</tr>
<tr>
<td>including A&amp;E</td>
<td>Port Executive Director and PUD General Manager</td>
<td>$200,000 if budgeted</td>
</tr>
<tr>
<td></td>
<td>Joint Port and PUD Commission</td>
<td>&gt;$200,000 if budgeted</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$200,000 if unbudgeted</td>
</tr>
<tr>
<td>Contract Change Orders</td>
<td>Port Executive Director and PUD General Manager</td>
<td>Up to 20% of the contract amount per change order, to a maximum cumulative amount not to exceed $50,000 per contract.</td>
</tr>
<tr>
<td></td>
<td>Joint Port and PUD Commission</td>
<td>Greater than 20% of the contract amount per change order or greater than $50,000 per contract.</td>
</tr>
</tbody>
</table>
Expenditures will include the need for unplanned system expansions including new construction on fiber optic backbone and/or distribution system elements in response to connection requests from telecom providers. The capital budget includes a provision for these costs in the “User Connection and System Expansion” line item. This line item is based on the assumption that SkagitNet may reinvest up to 80 percent of its net revenue in system expansion in the first five years and these costs will include reimbursable and non-reimbursable elements.

These assumptions will be reviewed annually based on actual system performance.

Unbudgeted expenditures may occur where the demand for system expansion outpaces the projections included in the 2020 capital budget. If this occurs, it will be based on service requests from telecom providers and will be supported by a business case and opportunity for cost recovery through non-recurring charges.

A limited authority ($20,000 limit) is granted to the SkagitNet Manager to enter into unbudgeted contracts for professional and purchased services to allow the Manager to be as responsive as possible to network needs.
The network will require the following services and functional roles when operational:

<table>
<thead>
<tr>
<th>Role</th>
<th>Resource Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Development and Network Planning</td>
<td>Port and PUD management staff</td>
</tr>
<tr>
<td>Outside Plant Design</td>
<td>Port of Skagit</td>
</tr>
<tr>
<td>Network Construction</td>
<td>Public works bidding process</td>
</tr>
<tr>
<td>Installation/termination of fiber at premises</td>
<td>Trained staff technician and/or qualified contractor</td>
</tr>
<tr>
<td>Non-recurring charge estimates</td>
<td>Provided under contract with Port of Whitman</td>
</tr>
<tr>
<td>Maintenance and Repair</td>
<td>Trained staff technician and/or one or more on-call contracts with qualified contractor</td>
</tr>
<tr>
<td>Emergency Restoration Services</td>
<td>Provided under contract with Port of Whitman</td>
</tr>
<tr>
<td>Locates</td>
<td>Skagit PUD</td>
</tr>
<tr>
<td>Network Operating Center</td>
<td>Provided under contract with Port of Whitman</td>
</tr>
<tr>
<td>Network mapping and splice cut sheet management</td>
<td>Provided under contract with Port of Whitman</td>
</tr>
<tr>
<td>Customer Billing and Accounts Receivable</td>
<td>Provided under contract with Port of Whitman</td>
</tr>
<tr>
<td>Accounts Payable/Treasurer</td>
<td>Port to provide</td>
</tr>
<tr>
<td>Auditor</td>
<td>PUD to provide</td>
</tr>
</tbody>
</table>

A management support contract is executed with the Port of Whitman County (POW) to provide key network services during the first five years of network operation. POW has 17 years of successful experience operating a fiber optic system in eastern Washington and can lend the network expertise and resource efficiencies in the early start-up phase. This contract may be phased out or replaced with staff hired directly by the Port or PUD overtime as the network matures and revenues can support a larger operating budget.
<table>
<thead>
<tr>
<th>FIBER</th>
<th>Operating Revenue</th>
<th>User Charges</th>
<th>Total Operating Revenue</th>
<th>Operating Expenses</th>
<th>Outside Services (POW Agreement)</th>
<th>Operating Expenses (excluding depr.)</th>
<th>Allocated Admin Expenses</th>
<th>Operating Income</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$40,000</td>
<td></td>
<td>$40,000</td>
<td>$27,500</td>
<td>$27,500</td>
<td>$9,231</td>
<td></td>
<td>$3,269</td>
</tr>
</tbody>
</table>

**Operating Budget**

**Operating Revenue**
- Total: $40,000

**Operating Expenses**
- Total: $27,500
- Outside Services: $27,500
- Allocated Admin Expenses: $9,231

**Operating Income**
- Total: $3,269
<table>
<thead>
<tr>
<th>FIBER</th>
<th>Budget</th>
<th>Grants</th>
<th>Source</th>
<th>Operations/cash reserves</th>
</tr>
</thead>
<tbody>
<tr>
<td>Backbone Segment 6 - Hamilton to Concrete</td>
<td>$1,500,000</td>
<td>$1,500,000</td>
<td>$500k CERB grant/$500k CERB loan/$500k .09 funds</td>
<td></td>
</tr>
<tr>
<td>Town of Concrete Distribution</td>
<td>$500,000</td>
<td>$500,000</td>
<td>.09 Funds</td>
<td></td>
</tr>
<tr>
<td>User Connection and System Expansion</td>
<td>$250,000</td>
<td></td>
<td></td>
<td>$250,000</td>
</tr>
<tr>
<td>Hut - SW / Port backbone interface</td>
<td>$50,000</td>
<td></td>
<td></td>
<td>$50,000</td>
</tr>
<tr>
<td>Burlington To Mt. Vernon Fiber</td>
<td>$275,000</td>
<td></td>
<td>Skagit PUD</td>
<td></td>
</tr>
<tr>
<td>TOTAL FIBER</td>
<td>$2,575,000</td>
<td>$2,000,000</td>
<td></td>
<td>$300,000</td>
</tr>
</tbody>
</table>
December 10, 2019

TO: Board of Commissioners

FROM: George Sidhu, P.E., General Manager

SUBJECT: Fidalgo Island Water System

Requested Action:
Authorize the General Manager to execute the Memorandum of Understanding (MOU) with the City of Anacortes regarding the Transfer and Improvement of the Fidalgo Island Water System.

Background:
The District owns and operates the Fidalgo Island Water System, which has approximately 720 customers, by purchasing water from the City of Anacortes and distributing it to the customers. For over 10 years, the District and the City have had conversations regarding the transfer of ownership of the Fidalgo water system from the District to the City.

If the City were to own the Fidalgo water system, there would be a geographical convenience that would allow the emergency response times to be faster and there will be economic and operational efficiencies for the system. The total cost of the re-investment in infrastructure would be less for the City than for the District because the Fidalgo water system could become part of their overall retail water system. For the District to continue ownership, additional investment would be needed in terms of water storage and reliability because the water system would be required to operate independently of the Anacortes system.

This Memorandum of Understanding is to formalize the cooperative efforts and continued discussions regarding the transfer and improvement of the Fidalgo Island Water System. Actual transfer of the water system will occur after a public outreach process and through a formal “Agreement” which will be brought before the Commissioners at a future meeting.

Fiscal Impact:
There is no current fiscal impact in signing the MOU.
MEMORANDUM OF UNDERSTANDING
FOR
TRANSFER AND IMPROVEMENT OF
THE FIDALGO ISLAND WATER SYSTEM

1. AGREEMENT

This Memorandum of Understanding to cooperate and continue discussions regarding the Transfer and Improvement of the Fidalgo Island Water System (“Memorandum”) is entered into as of the date of the last signature below (“Effective Date”) by and between the City of Anacortes, Washington (“City”), and Public Utility District No. 1 of Skagit County, Washington (“District”) (each a “Party” and collectively the “Parties” to this Memorandum). The Parties agree as follows.

2. RECITALS

2.1 City Water System. The City owns and operates a municipal water supply and distribution system (“Water System”), which has been combined with the City’s sanitary sewage system, storm and surface water drainage system and garbage and refuse collection and disposal system (collectively, “Utility System”). The City operates the Water System for the purpose of delivering an adequate supply of water to customers and to provide for future use and expansion of the Water System.

2.2 Fidalgo Island Water System of the District. The District owns a water distribution system that serves approximately 720 customers located in an unincorporated area of Skagit County on Fidalgo Island. Pursuant to the Water Supply Agreement 2017-2036 between the City and the District, last dated January 6, 2017 (“Supply Agreement”), the Water System provides water supply to the FIWS to serve District customers connected to the Fidalgo Island Water System (FIWS). The Supply Agreement authorizes transfers of service areas among customers of the City, including the District, and expansion of the City’s service area.

2.3 Transfer of Fidalgo Island Water System to the City. Due to the proximity of the FIWS to other retail service areas of the Water System and the City’s continued provision of water supply to the FIWS under the Supply Agreement, the Parties have determined that transferring the FIWS to the City will improve maintenance and emergency response times and result in economic and water service-related efficiencies in the continued operation, maintenance and improvement of the FIWS. It is therefore in the best interests of the City, the District and the FIWS ratepayers for the District and the City to continue discussions regarding the transfer of ownership of the FIWS to the City.

3. TRANSFER AND IMPROVEMENT OF THE FIDALGO ISLAND WATER SYSTEM

3.1 Asset Transfer and Improvement Agreement. The details of the transfer of the FIWS will be outlined in an Asset Transfer and Improvement Agreement (“Agreement”), which will outline the obligations of each party, the cost sharing agreement and the transfer of the associated real and personal property, contracts and intangibles.
3.2 **Public Outreach Process.** The Parties shall jointly engage in a public outreach process where the customers of the FIWS will have an opportunity to voice their opinion on the potential transfer and ask questions of the Parties.

4. **GENERAL**

4.1 **Costs.** The Parties will share equally all costs and expenses related to the preparation, drafting and documentation of this Memorandum, the Agreement and all necessary transfer documents, including without limitation, legal, consultant and applicable filing costs.

4.2 **Authority.** The individuals signing below represent and warrant that they have the requisite authority to bind the Parties on whose behalf they are signing.

This Memorandum is executed by each Party as set forth below:

City of Anacortes .................................................................

By: ______________________________

Its: ______________________________

Date: ______________________________

Public Utility District No. 1 of Skagit County

By: ______________________________

Its: ______________________________

Date: ______________________________
October 30, 2019

TO: George Sidhu, P.E., General Manager

FROM: Kathy White, HR Manager

SUBJECT: 2020 Updates to Resolution Establishing Positions and Salary Ranges for Non-Union Staff and Supervising Employees

Requested Action:
Approve Resolution No. 2268-19, Establishing Positions and Salary Ranges for Non-Union Staff and Supervising Employees

Background:
As we approach the start of a new calendar year, it is necessary to update the salary range tables for non-union staff and supervising employees to reflect the 2020 cost of living adjustment (COLA). The process to calculate the 2020 COLA reflects what was approved by the Board: specifically, 90% of the rolling average for the past three years, using the CPI-U June-June figures (not seasonally adjusted).

There was one new position added to the table in 2019: We added the position of Distribution Superintendent to reflect the changing needs of the Operations Department. This position was previously active at the District but had not been filled for several years prior. Per the current resolution, when we added this position we followed the same procedures in obtaining market comparisons for equivalent positions and established an appropriate range.

In addition, the “Construction” Superintendent position was retitled to be the “Maintenance Superintendent” to reflect the change in focus from construction to maintenance.

Fiscal Impact:
Any budgetary impacts have already been included with the 2020 budget process and will not have additional impact at this time.
RESOLUTION NO. 2268-19

A RESOLUTION OF THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY, WASHINGTON, ESTABLISHING POSITIONS AND SALARY RANGES FOR NON-UNION STAFF AND SUPERVISING EMPLOYEES.

WHEREAS, R.C.W. 54.12.090 authorizes the Commission to create positions by resolution, and

WHEREAS, the Commission has delegated authority to set position titles to the General Manager, including the creation of new positions with salary ranges created by market research or deletion of positions no longer necessary to the operation of the District; and

WHEREAS, the General Manager has reviewed the organization of the District and established positions for non-union staff and supervisory employees required to efficiently administer the affairs of the District; and

WHEREAS, R.C.W. 54.16.100 requires that the Manager recommend to the Commission salary ranges for said employees; and

WHEREAS, salaries for all employees, except the General Manager will be set by the General Manager. Salary for the General Manager will be set by the Commission through resolution.

WHEREAS, the General Manager has recommended the salary ranges for such positions become effective January 1, 2020.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 1 of Skagit County, Washington, that the Positions and Salary Ranges listed below shall become effective January 1, 2020.

<table>
<thead>
<tr>
<th>DEPARTMENT/POSITION TITLES</th>
<th>MINIMUM</th>
<th>MIDPOINT</th>
<th>MAXIMUM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Administrative Assistant</td>
<td>25.92</td>
<td>31.10</td>
<td>37.33</td>
</tr>
<tr>
<td>Executive Assistant/Clerk of the Board</td>
<td>30.89</td>
<td>37.07</td>
<td>45.40</td>
</tr>
<tr>
<td>Finance/Treasury A/P Accounting Tech</td>
<td>25.28</td>
<td>30.34</td>
<td>36.40</td>
</tr>
<tr>
<td>Finance Manager</td>
<td>55.29</td>
<td>66.35</td>
<td>79.62</td>
</tr>
<tr>
<td>Payroll Accounting Tech</td>
<td>26.76</td>
<td>32.10</td>
<td>38.53</td>
</tr>
<tr>
<td>Senior Acct Lead</td>
<td>32.38</td>
<td>38.84</td>
<td>46.62</td>
</tr>
<tr>
<td>Information Technology Financial Systems Administrator</td>
<td>38.10</td>
<td>45.73</td>
<td>54.87</td>
</tr>
<tr>
<td>IT Manager</td>
<td>47.48</td>
<td>56.97</td>
<td>68.36</td>
</tr>
<tr>
<td>IT Support Analyst</td>
<td>28.90</td>
<td>34.68</td>
<td>41.61</td>
</tr>
<tr>
<td>Network Systems Administrator</td>
<td>32.50</td>
<td>39.02</td>
<td>46.81</td>
</tr>
<tr>
<td>Community Relations/Customer Service Community Relations Manager</td>
<td>43.72</td>
<td>52.46</td>
<td>62.96</td>
</tr>
<tr>
<td>Position</td>
<td>Salary 1</td>
<td>Salary 2</td>
<td>Salary 3</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>----------</td>
<td>----------</td>
<td>----------</td>
</tr>
<tr>
<td>Customer Service Billing Clerk</td>
<td>25.16</td>
<td>30.21</td>
<td>36.24</td>
</tr>
<tr>
<td>Customer Service Representative</td>
<td>21.89</td>
<td>26.27</td>
<td>31.51</td>
</tr>
<tr>
<td>Customer Service Supervisor</td>
<td>34.73</td>
<td>41.66</td>
<td>50.00</td>
</tr>
<tr>
<td>Human Resources</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Human Resources Manager</td>
<td>49.18</td>
<td>59.02</td>
<td>70.81</td>
</tr>
<tr>
<td>Safety</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Safety/Risk Coordinator</td>
<td>37.92</td>
<td>45.50</td>
<td>54.60</td>
</tr>
<tr>
<td>Operations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operations Manager</td>
<td>49.52</td>
<td>59.43</td>
<td>71.32</td>
</tr>
<tr>
<td>Operations Project Coordinator</td>
<td>35.40</td>
<td>42.46</td>
<td>50.96</td>
</tr>
<tr>
<td>Water Quality Lab Analyst/Supervisor</td>
<td>36.63</td>
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*a. Salary Ranges for On-Call, Part-Time Positions: i.e. Flaggers, Surveyors, Maintenance/Grounds, Seasonal Positions and Interns will be determined by market research prior to hiring.*

BE IT FURTHER RESOLVED, that Resolution No. 2260-18 is hereby superseded.
ADOPTED by the Commission of Public Utility District No. 1 of Skagit County, Washington, at a regular open public meeting thereof this 10th day of December, 2019.

Eron Berg, President

Al Littlefield, Vice President

ATTEST

Joe Lindquist, Secretary
December 5, 2019

TO: George Sidhu, P.E., General Manager

FROM: Kathy White, HR Manager

SUBJECT: Revisions to Policy #1002 Short Term Disability Benefit

Requested Action:
Approve and authorize the General Manager to sign Policy #1002 Short Term Disability Benefit.

Background:
A year ago, the District made some revisions to its longstanding Short Term Disability (STD) benefit to qualify the plan as a “voluntary plan” to meet the requirements of the new paid family and medical leave benefit requirement enacted by the WA State Legislature. Because we already offered a very generous STD benefit, we determined that our best approach would be to modify our plan slightly and opt out of the state employee benefit.

One of the requirements of having a voluntary plan is that we must resubmit our plan annually for recertification for the first three years. As I’ve kept you and Board informed, the state continued with their rulemaking process throughout 2019, which has not yet been completed (the last phase is due to be completed 12/20/19).

I submitted our reapplication in October and have been communicating with the PFML division of the Employment Security Department. Due to recent rulemaking changes, it is necessary to make a few changes to our plan to get approval for our voluntary plan for 2020. Most are minor, but there is one substantive required change. I’ve outlined the revisions below:

Required Revisions:
1) Waiting Period – The state revised what they allow for a waiting period and began using the WAC definition of a “week,” which is: seven consecutive calendar days beginning on Sunday, 12:00 AM and ending at 11:59 PM the following Saturday. In addition, they will not allow a set 40-hour waiting period as they did before. An employee must only miss eight (8) consecutive hours within that week, then benefits will begin the following week. This means that depending upon when an employee becomes unable to work due to illness or
injury, they may miss only 8 hours of work, or they may miss up to 40 hours of work, depending on their unique situation. Also, we cannot require employees to use paid time on the books, but they can choose to use it.

2) We had to add language under *Coordination of Benefits* about how their benefit may be higher than their base pay if the benefit calculated by the state exceeds their current wage. NOTE: This is a non-issue because our plan already states that we will match the state benefit if it is higher than our standard 70% benefit, but this only applies for the time period they would have received the state benefit, then it reverts to our standard benefit amount.

3) RCW 50.04.020 was codified and changed to RCW 50.15.020, so that was corrected in our reference.

4) They asked us to add a section stating that we are not deducting premiums from employee checks for the employee portion. This was already our practice, so it is a non-issue.

5) We revised the policy term language slightly to reflect that the plan went into effect on 01/01/19, and that the Board’s intent is for it to remain in effect for at least one year, when it will be recertified again.

6) Backdating – This was not a requirement they requested, but in the WAC there is backdating language. With the changes we are required to make to our plan, it seemed prudent to add backdating language that mirrors theirs. There are several reasons for this, but mainly it helps the District avoid issues with having to explain to state auditors why there was a delay on benefit payments (if employees have not turned their benefits paperwork in on a timely basis), and also encourages them to apply for their benefits in a timely manner which helps us administratively.

**Fiscal Impact**
Given the relatively low utilization of the policy currently, we don’t expect a large fiscal impact. However, my plan is to monitor use of the benefit over the next year or two to determine the feasibility of continuing to offer a voluntary plan. I will report to you and the board if it appears there are unexpected fiscal impacts.
Short Term Disability Benefit
Policy #1002

Purpose:
In accordance with the authority granted by Board Resolution # 2160-09, a Short Term Disability (STD) Benefit, as described below, is hereby established for regular employees of Public Utility District No. 1 of Skagit County.

Benefit Provisions:
Employees who are unable to work for one week due to illness or injury, as certified by licensed, competent medical authority, will receive seventy percent (70%) of their regular straight-time base pay until they are medically released to return to work (see Coordination of Benefits below for additional benefit calculation information). Please note the following provisions:

a. The waiting period will be a week (as defined by WAC, a “week” is seven consecutive calendar days beginning on Sunday, 12:00 AM and ending at 11:59 PM the following Saturday) 40 regularly scheduled consecutive hours, including holidays, or a prorated amount if the employee works less than full time;

b. Once the employee misses at least eight (8) consecutive hours within that first week, benefits will begin on the first regularly scheduled hour after the waiting period;

c. Benefits will not exceed 180 calendar days in duration per year, based on a rolling year calculation;

d. Benefits will be coordinated as appropriate with the District’s current light duty practices and procedures;

e. Employees may use accrued time (Personal Leave, Washington State Paid Sick Leave or Comp Time) to make up the difference between the STD benefit and 100% of gross, straight-time base pay;

f. Supplemental Leave Bank (SLB) balances (as established and available to employees who were employed prior to January 1, 1997) may be used to make up the difference between the STD benefit and 100% of gross, straight-time, base pay;

g. The SLB benefit is not eligible to be used for the waiting period (the first week, as described above).

Eligibility:
An employee will be eligible for STD benefits once they have worked at least 820 hours in the qualifying period (at the District or for other employers) and at least 340 hours for the District. The qualifying period is the first four of the last five completed calendar quarters from the date benefits begin; or, if eligibility is not established, the last four completed calendar quarters immediately preceding the application for leave.

Example: An employee becomes eligible for benefits September 15, 2020. Counting back five completed quarters would mean that the qualifying period would begin April 1, 2019. Hours worked for the District would be calculated to ensure that the employee has worked at least 340 hours at the District, and that they have worked at least 820 hours total during the qualifying period. If they meet these requirements they would qualify for benefits.
If an employee was covered under a voluntary plan with their previous employer, they are immediately eligible for the District’s STD plan.

**Coordination of Benefits:**
In no case will an employee’s earnings exceed 100% of their gross, straight-time base pay while on STD, or as combined with any other District, state or federal benefit, unless the benefit calculated by the state under RCW 50A results in a higher benefit than the employee’s current wage. STD is intended to be income protection for employees in the event they are unable to work due to illness or injury. The goal is to provide employees with adequate income so they can recover and return to work. Benefits exceeding 100% do not provide incentive for employees to return to a productive work situation.

Washington State Paid Family & Medical Leave benefits will become available to all WA state workers beginning 01/01/20. Until further notice, the District has opted to continue our STD benefits plan for employee benefits, which is more generous than the state plan in both duration and eligibility.

If an employee becomes eligible for benefits, the District will calculate their eligibility and benefits under the state plan and will match the benefit amount if it would be greater than the District’s benefit, for the time period they would be eligible to receive the state benefit. Once the benefit period with the state would expire, the benefit will be reduced to the amount that would have been provided prior to the benefit match. PLEASE NOTE: Benefit calculations will be in accordance with RCW 50A.1504.020 Benefit-Amount and Duration.

*Example:* Employee X becomes eligible for benefits. Upon calculation, it is determined that the state plan would provide 90% of income replacement, and the District’s STD plan would only provide 70%. For the 12 weeks of time the employee would be eligible for the higher benefit amount with the state, the District will match the higher (90%) benefit. Once the 12 weeks expires, the benefit amount will be reduced to 70% during the duration of the disability remaining, up to the maximum of 180 days.

The STD plan only covers medical leave for employees who qualify. For family leave and some military-connected events, employees may apply for the WA state family leave benefits. However, any benefits received under the state family leave plan will be coordinated with District STD benefits to ensure that there is no duplication of benefits (example: pregnancy benefits, which are covered by both the STD plan and the state family leave benefit).

Pregnancy disability is treated the same as any other short-term disability, except that leave will be granted for the entire period of any pregnancy disability, as determined by a licensed, competent medical authority. Any pregnancy disability benefit will be coordinated as appropriate with any other lawful state or federal benefits to which the employee is entitled.

**Return to Work:**
The District is committed to working with employees following an illness or injury to find options for them to return to work, which may include a temporary light duty assignment. The goal is to provide meaningful work when possible during their recuperation and healing process. However, this is entirely dependent upon their unique situation, and both return to work and light duty assignments are conditioned upon certification by licensed, competent medical authority of the employee’s ability to return to either temporary light duty or full duty.
Absent such certification, or a return only upon condition of accommodation, the District will determine whether reasonable accommodation of the employee’s condition can be made in accordance with current light duty practices and procedures.

An employee, who returns to work and works less than thirty (30) calendar days because of a relapse, may return to coverage by the STD benefit immediately upon such relapse. In all cases the 180 calendar day limit and the annual benefit maximum of 180 days total for any concurrent disability will apply.

Return to work and light duty options do not preclude the employee from taking the full benefit available to them under this Policy. Rather, they provide options which can be beneficial to both the employee and the District both short and long-term.

**Temporary Light Duty:**
Employees may be eligible for a temporary light duty assignment while recovering from an accident or an illness. Such assignments will be made in accordance with current light duty practices and procedures.

In the event of a light duty assignment, compensation will be coordinated between actual earnings, STD, Personal Leave, SLB (if applicable), and any other District, state or federal time loss benefit. Compensable and/or non-compensable hours are calculated on a daily basis for purposes of data entry into payroll, will not exceed the pay for the employee’s regularly scheduled work day, and will be calculated as follows:

1. During the waiting period of regularly scheduled hours after an accident or illness that may ultimately qualify for STD benefits:
   a. Hours worked per day, plus
   b. Accrued time (PL or other) not to exceed a total of 100% of the employee’s regularly scheduled work day.

2. Beginning on the first hour following the waiting period for an accident or illness qualifying for STD benefits:
   a. Hours worked per day; plus
   b. STD, not to exceed a total of 70% of the employee’s non-worked time (based on their regularly scheduled work day); plus
   c. Available SLB hours, not to exceed a total of 100% of the employee’s regularly scheduled work day; plus
   d. Accrued time (PL or other) not to exceed a total of 100% of the employee’s regularly scheduled work day.

**Job and Benefits Protection:**
Once an employee works for the District for at least 965 hours within the 12 months preceding taking STD leave, they are entitled to: (a) Return to the position they held when their leave commenced; or (b) Return to an equivalent position with equivalent benefits, pay and other terms and conditions of employment. Using the STD benefit will not result in the loss of employment benefits accrued before leave begins, or any other right, benefit or condition of employment the employee would have been entitled to if they had not taken leave.

The District may: (a) Request from the employee certification by the employee’s health care provider that the employee can resume work; and (b) Require periodic reporting from the employee about their status and intention to return to work, as allowed by law.
While an employee is on approved STD benefits, the District will maintain their group health plan coverage during the duration of leave and at the same level and conditions coverage would have been provided if the employee had not taken leave.

**Recovery of Damages:**
In the event of an overpayment by the District due to an employee receiving District, state or federal time loss benefits that exceed the benefit provisions as outlined in this Policy, the employee will reimburse the District for all (or partial as appropriate) payments made by the District under this plan.

**Backdating:**
Generally, benefits are payable on or after the date the employee applies for benefits, and will not be backdated more than fourteen (14) business days except for good cause or for the convenience of the District. “Good cause” may include factors that prevent an employee from applying for benefits within the required time period, such as a serious health condition, a period of incapacity, or a natural disaster. The burden of proof is on the employee to provide evidence to the District to determine good cause, which may include, but is not limited to, medical certification from a health care provider, evidence of a natural disaster, or other information required by the District. “For the convenience of the District” means for the purpose of benefits administration or situations when accepting timely applications or claims was difficult or impossible, which may include, but is not limited to, lack of available staff.

**Premiums:**
Since the District has opted to offer this higher-benefit Voluntary Plan to employees instead of utilizing the Washington State PFML benefits (for employee benefits only), no premiums will be deducted from employee paychecks, and the costs will be borne by the District.

**Policy Term:**
This Policy began 01/01/19. It is the intent of the Board that this Policy remain in effect for at least one year. It is the intent of the Board that this policy remains in effect through the end of 2019—The plan will be renewed annually as required for the first three years if approved by the State of Washington PFML, and it will be reviewed annually to ensure compliance with any new or revised federal or state requirements.
December 10, 2019

TO: George Sidhu, P.E., General Manager

FROM: Brian Henshaw, Finance Manager

SUBJECT: A Resolution creating a new water rate for Agriculture Uses

**Requested Action:**
Approve Resolution No. 2269-19, creating a new water rate for Agriculture uses and establishing eligibility criteria.

**Background:**
Earlier this year, the District engaged FCS GROUP to perform a comprehensive rate study to include the following key elements:

- Project long-term capital and operational needs of the District.
- Establish equitable rates across all classes of utility customers.
- Develop a rate structure that generates sufficient revenue to meet the District’s financial needs.

During this process, the Board expressed an interest in creating a separate classification for agricultural uses. We identified approximately 130 customers that may qualify as under the new agricultural classification. These accounts generate around $690,000 of revenue per year. We are recommending that Agriculture rate be available to customers that meet both of the following criteria:

1. Customers with water service(s) on property classified as farm and agricultural land with the Skagit County Assessor under Chapter 84.34 of the Revised Code of Washington; and
2. Customers who are certified in compliance with the District’s Cross Connection Control Program.

The new rate will increase participation in the District’s Cross Connection Controls Program, thus increasing the overall safety of the water system to the benefit of all our customers.

**Fiscal Impact:**
We estimate a potential 25-30% decrease in agriculture revenue if all 130 customers meet the agriculture criteria. The reduction in projected revenue was incorporated into the updated rate structure and rates established in Resolution No. 2269-19.
RESOLUTION NO. 2269-19

A RESOLUTION OF THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY, WASHINGTON CREATING A NEW WATER RATE FOR AGRICULTURAL USES.

WHEREAS, the Commission of Public Utility District NO. 1 of Skagit County recognizes Skagit County’s rich agriculture heritage and resources.

NOW THEREFORE, BE IT RESOLVED: that the Water Policy Manual’s Appendix A, Rates, Fees, Charges and Deposit shall be updated by this Resolution to include a separate rate for agriculture uses:

Agriculture uses shall be defined as customers whose water service(s) is on property classified as farm and agricultural land with the Skagit County Assessor, under Chapter 84.34 of the Revised Code of Washington; and

Who are certified by the Skagit PUD to be in compliance with the Water Policy Manual Section 2.5.5 Cross Connection Control Program.

Upon certification, the Agriculture rate will be applied to future bills as long as the customer remains in compliance with Cross Connection Control policies and the property remains classified as farm and agriculture land with the Skagit County Auditor.

A. A new rate for Agriculture uses shall be added to Table A-2 Consumption Charges.

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| All Others: Excluding those in Table A-3 and A-5 |
|-----------------------------------------------|--------------------|--------------------|--------------------|--------------------|
| 0 - 3 ccf                                     | 5.31               | 5.58               | 5.86               | 6.15               | 6.46               |
| 4 - 100 ccf                                   | 5.31               | 5.58               | 5.86               | 6.15               | 6.46               |
| 101 - Excess                                  | 3.20               | 3.47               | 3.76               | 4.08               | 4.43               |

| Agriculture:                                  |
|-----------------------------------------------|--------------------|--------------------|--------------------|--------------------|
|                                              | 3.20               | 3.36               | 3.53               | 3.71               | 3.90               |

B. A new rate for Agriculture uses shall be added to Table A-4 Fire Hydrant Use Charges.

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Agenda Item #13

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ADOPTED by the Commission of Public Utility District No. 1 of Skagit County, Washington, at a regular meeting held this the 10th day of December 2019.

Eron Berg, President

Al Littlefield, Vice President

ATTEST: Joe Lindquist, Secretary
The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Open space land" means (a) any land area so designated by an official comprehensive land use plan adopted by any city or county and zoned accordingly, or (b) any land area, the preservation of which in its present use would (i) conserve and enhance natural or scenic resources, or (ii) protect streams or water supply, or (iii) promote conservation of soils, wetlands, beaches or tidal marshes, or (iv) enhance the value to the public of abutting or neighboring parks, forests, wildlife preserves, nature reservations or sanctuaries or other open space, or (v) enhance recreation opportunities, or (vi) preserve historic sites, or (vii) preserve visual quality along highway, road, and street corridors or scenic vistas, or (viii) retain in its natural state tracts of land not less than one acre situated in an urban area and open to public use on such conditions as may be reasonably required by the legislative body granting the open space classification, or (c) any land meeting the definition of farm and agricultural conservation land under subsection (8) of this section. As a condition of granting open space classification, the legislative body may not require public access on land classified under (b)(iii) of this subsection for the purpose of promoting conservation of wetlands.

(2) "Farm and agricultural land" means:
(a) Any parcel of land that is twenty or more acres or multiple parcels of land that are contiguous and total twenty or more acres:
(i) Devoted primarily to the production of livestock or agricultural commodities for commercial purposes;
(ii) Enrolled in the federal conservation reserve program or its successor administered by the United States department of agriculture; or
(iii) Other similar commercial activities as may be established by rule;
(b)(i) Any parcel of land that is five acres or more but less than twenty acres devoted primarily to agricultural uses, which has produced a gross income from agricultural uses equivalent to, as of January 1, 1993:
(A) One hundred dollars or more per acre per year for three of the five calendar years preceding the date of application for classification under this chapter for all parcels of land that are classified under this subsection or all parcels of land for which an application for classification under this subsection is made with the granting authority prior to January 1, 1993; and
(B) On or after January 1, 1993, two hundred dollars or more per acre per year for three of the five calendar years preceding the date of application for classification under this chapter;
(ii) For the purposes of (b)(i) of this subsection, "gross income from agricultural uses" includes, but is not limited to, the wholesale value of agricultural products donated to nonprofit food banks or feeding programs;
(c) Any parcel of land of less than five acres devoted primarily to agricultural uses which has produced a gross income as of January 1, 1993, of:
(i) One thousand dollars or more per year for three of the five calendar years preceding the date of application for classification under this chapter for all parcels of land that are classified under this subsection or all parcels of land for which an application for classification under this subsection is made with the granting authority prior to January 1, 1993; and
(ii) On or after January 1, 1993, fifteen hundred dollars or more per year for three of the five calendar years preceding the date of application for classification under this chapter. Parcels of land described in (b)(i)(A) and (c)(i) of this subsection will, upon any transfer of the property excluding a transfer to a surviving spouse or surviving state registered domestic partner, be subject to the limits of (b)(i)(B) and (c)(ii) of this subsection;
(d) Any parcel of land that is five acres or more but less than twenty acres devoted primarily to agricultural uses, which meet one of the following criteria:

(i) Has produced a gross income from agricultural uses equivalent to two hundred dollars or more per acre per year for three of the five calendar years preceding the date of application for classification under this chapter;

(ii) Has standing crops with an expectation of harvest within seven years, except as provided in (d)(iii) of this subsection, and a demonstrable investment in the production of those crops equivalent to one hundred dollars or more per acre in the current or previous calendar year. For the purposes of this subsection (2)(d)(ii), "standing crop" means Christmas trees, vineyards, fruit trees, or other perennial crops that: (A) Are planted using agricultural methods normally used in the commercial production of that particular crop; and (B) typically do not produce harvestable quantities in the initial years after planting; or

(iii) Has a standing crop of short rotation hardwoods with an expectation of harvest within fifteen years and a demonstrable investment in the production of those crops equivalent to one hundred dollars or more per acre in the current or previous calendar year;

(e) Any lands including incidental uses as are compatible with agricultural purposes, including wetlands preservation, provided such incidental use does not exceed twenty percent of the classified land and the land on which appurtenances necessary to the production, preparation, or sale of the agricultural products exist in conjunction with the lands producing such products. Agricultural lands also include any parcel of land of one to five acres, which is not contiguous, but which otherwise constitutes an integral part of farming operations being conducted on land qualifying under this section as "farm and agricultural lands";

(f) The land on which housing for employees and the principal place of residence of the farm operator or owner of land classified pursuant to (a) of this subsection is sited if: The housing or residence is on or contiguous to the classified parcel; and the use of the housing or the residence is integral to the use of the classified land for agricultural purposes;

(g) Any land that is used primarily for equestrian related activities for which a charge is made, including, but not limited to, stabling, training, riding, clinics, schooling, shows, or grazing for feed and that otherwise meet the requirements of (a), (b), or (c) of this subsection; or

(h) Any land primarily used for commercial horticultural purposes, including growing seedlings, trees, shrubs, vines, fruits, vegetables, flowers, herbs, and other plants in containers, whether under a structure or not, subject to the following:

(i) The land is not primarily used for the storage, care, or selling of plants purchased from other growers for retail sale;

(ii) If the land is less than five acres and used primarily to grow plants in containers, such land does not qualify as "farm and agricultural land" if more than twenty-five percent of the land used primarily to grow plants in containers is open to the general public for on-site retail sales;

(iii) If more than twenty percent of the land used for growing plants in containers qualifying under this subsection (2)(h) is covered by pavement, none of the paved area is eligible for classification as "farm and agricultural land" under this subsection (2)(h). The eligibility limitations described in this subsection (2)(h)(iii) do not affect the land's eligibility to qualify under (e) of this subsection; and

(iv) If the land classified under this subsection (2)(h), in addition to any contiguous land classified under this subsection, is less than twenty acres, it must meet the applicable income or investment requirements in (b), (c), or (d) of this subsection.

(3) "Timberland" means any parcel of land that is five or more acres or multiple parcels of land that are contiguous and total five or more acres which is or are devoted primarily to the growth and harvest of timber for commercial purposes. Timberland means the land only and does not include a residential homesite. The term includes land used for incidental uses that are compatible with the growing and harvesting of timber but no more than ten percent of the land may be used for such incidental uses. It also includes the land on which appurtenances necessary for the production, preparation, or sale of the timber products exist in conjunction with land producing these products.
(4) "Current" or "currently" means as of the date on which property is to be listed and valued by the assessor.

(5) "Owner" means the party or parties having the fee interest in land, except that where land is subject to real estate contract "owner" means the contract vendee.

(6)(a) "Contiguous" means land adjoining and touching other property held by the same ownership. Land divided by a public road, but otherwise an integral part of a farming operation, is considered contiguous.

(b) For purposes of this subsection (6):

(i) "Same ownership" means owned by the same person or persons, except that parcels owned by different persons are deemed held by the same ownership if the parcels are:

(A) Managed as part of a single operation; and

(B) Owned by:

(I) Members of the same family;

(II) Legal entities that are wholly owned by members of the same family; or

(III) An individual who owns at least one of the parcels and a legal entity or entities that own the other parcel or parcels if the entity or entities are wholly owned by that individual, members of his or her family, or that individual and members of his or her family.

(ii) "Family" includes only:

(A) An individual and his or her spouse or domestic partner, child, stepchild, adopted child, grandchild, parent, stepparent, grandparent, cousin, or sibling;

(B) The spouse or domestic partner of an individual's child, stepchild, adopted child, grandchild, parent, stepparent, grandparent, cousin, or sibling;

(C) A child, stepchild, adopted child, grandchild, parent, stepparent, grandparent, cousin, or sibling of the individual's spouse or the individual's domestic partner; and

(D) The spouse or domestic partner of any individual described in (b)(ii)(C) of this subsection (6).

(7) "Granting authority" means the appropriate agency or official who acts on an application for classification of land pursuant to this chapter.

(8) "Farm and agricultural conservation land" means either:

(a) Land that was previously classified under subsection (2) of this section, that no longer meets the criteria of subsection (2) of this section, and that is reclassified under subsection (1) of this section; or

(b) Land that is traditional farmland that is not classified under chapter 84.33 or 84.34 RCW, that has not been irrevocably devoted to a use inconsistent with agricultural uses, and that has a high potential for returning to commercial agriculture.

NOTES:

Intent—2014 c 125: "The legislature intends to clarify and update the description of farm and agricultural land as it is used under the property tax open space program. Modern technology and water quality and labor regulations have all caused nurseries to increasingly grow plants in containers rather than in the ground. Growing plants in containers preserves topsoil, allows more plants to be grown per acre, allows soil and nutrients to be customized for each type of plant, allows more efficient use of water and fertilizer, allows year-round harvest and sales, and reduces labor cost and injuries." [2014 c 125 § 1]
Intent—2014 c 125: "The amendments to RCW 84.34.020, as provided in section 2 of this act, are intended to clarify an ambiguity in an existing tax preference, and are therefore exempt from the requirements of RCW 82.32.805 and 82.32.808." [2014 c 125 § 3.]

Effective date—2010 c 106: See note following RCW 35.102.145.

Purpose—2004 c 217 § 1: "The purpose of the amendatory language in section 1 of this act is to clarify the timberland definition as it relates to tax issues. The language does not affect land use policy or law." [2004 c 217 § 2.]

Severability—1997 c 429: See note following RCW 36.70A.3201.
Date: December 10, 2019

TO: George Sidhu, P.E., General Manager

FROM: Mark Handzlik, P.E., Engineering Manager

BY: Mike Benton, Project Manager

SUBJECT: Judy Reservoir to Mount Vernon Transmission Pipeline, Phase II
Existing OH Fiber Relocation to Accommodate Bridge Placement

Requested Action:
Authorize the General Manager to enter into a construction contract with Frontier Communications in the amount of $72,407.03 including Washington State Sales Tax (WSST) for aerial fiber relocation work to accommodate the Judy Reservoir to Mount Vernon Transmission Pipeline, Phase II Project.

Background:
As part of the Judy Reservoir to Mount Vernon Transmission Pipeline, Ph. II Project a new pedestrian/transmission line bridge is designed to cross the E. Fork Nookachamps Creek just north of the existing State Route 9 Bridge west of the intersection of Babcock Rd.

Frontier Communications currently owns and operates an aerial fiber optic line that runs along the north right of way of SR-9 and currently inhibits a contractor’s ability to install what is assumed to be a prefabricated two-piece 220 ft single span bridge structure.

On June 6, 2019 the District received a proposal from Frontier in the amount of $166,762.15 including WSST which reflected their crews replacing approximately 15,000 LF of aerial fiber between the two existing splice points, removing 11 poles and replacing approximately 2,800 lineal feet of old fiber and copper.

Through coordination with Frontier and an onsite meeting, it was discovered that an additional splice point was installed after recent damage to the line. Having the new splice location significantly reduced the length of the required relocation and thereby reduced the cost.

Fiscal Impact:
Funding for this relocation work will come from funding allocation in the 2019 Capital Improvement Plan, Budget Line Item No. 13, Transmission Line, Judy – MV Phase 2.

Enclosures: Agreement
Project Overview Map
Date: 11/04/2019

To: Mike Benton
Project Manager
Skagit PUD
benton@skagitpud.org

Re: Relocate overhead facilities at SR9 and Babcock Rd. (FTR Project #5244611)

Dear Mike,

This is in response to your request for Frontier to perform the following work: Temporarily relocate overhead facilities from the North side of SR9 to the South Side to allow for placement of a new PUD pipe.

We have estimated that the cost of this work effort will be: $66,734.59
Add: Washington State Sales Tax 8.5% $5,672.44
Less the Advance Engineering Design Payment: -$ 0.00
Balance due Frontier: $72,407.03

This is the amount of the advance payment that you will be required to make. You must return this signed agreement, along with the full advance payment, before your work will be scheduled.

Upon job completion, you will be issued either: (1) a refund for any overpayment, or (2) an invoice, if the final actual costs exceed the advance payments received. Any unapplied portion of advance payments will be refunded to you after the final bill or cancellation of the job.

If you agree to these terms, please sign below and forward this signed letter agreement, a check for $66,734.59 made payable to Frontier Communication and noted with 5244611 to:

Frontier Communications
Attn: Jamie Evans
1800 41st St, Ste N100
MC: WA01020S
Everett, WA 98203

If you are signing for a company or other entity, then by signing below, you warrant that you are authorized to bind the company or entity to the terms of this letter agreement.

Upon receipt of your signed agreement and advance payment, your work order will be released to our Construction Department for scheduling.
Frontier shall not be responsible to the extent its performance is delayed or prevented due to causes beyond its control, including but not limited to acts of God or the public enemy, terrorism, civil commotion, embargo, acts of government, any law, order, ordinance, regulation, or requirement of any government, fires, explosions, weather, quarantine, strikes, labor disputes, lockouts, and other causes beyond the reasonable control of Frontier.

Should you have any questions or concerns regarding these terms, please contact me at (425) 417-7085.

Please be advised that the price estimate quoted above is only valid for sixty (60) days from the date of this letter. If this work request is cancelled after you have signed the agreement, you will be billed for any Engineering and Construction cost incurred after the date of signature that may include the cost to place and/or remove facilities.

If we do not receive this signed agreement and your full advance payment within this sixty (60) day period, we will assume that you do not want the work to be undertaken and the project will be cancelled.

Sincerely,

Bret Murdock

Network Engineer

Frontier – Signature

Frontier – Title

I agree to the terms of this agreement:

Accepted (Signature): ________________________________

Print Name & Title: ________________________________

Company: ________________________________

Billing Address: ________________________________

Telephone #: ________________________________

Date: ________________________________
## Project Material List

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Frontier Communications
Network Eng & Planning
1800 41st St, N-100
MC: WA0102OS
Everett, Washington 98203

Date: 11/04/2019

To: Mike Benton
    Project Manager
    Skagit PUD

Re: FTR Project # 5244611 – Temp Relocation of Frontier OH Fiber

Frontier crews will coordinate with PSE to temporarily attached to their existing power poles during the planned temporary relocation of our existing OH fiber facilities. This work was requested to accommodate the Skagit PUD’s planned transmission Line Project. Frontier’s work and associated south bound lane closure will commence at night and include all necessary traffic control measures per the WSDOT approved plan. It will consist of rerouting and ground laying the existing fiber underneath the west bank of the existing SR-9/E. Fork Nookachamps Creek Crossing along with the removal of one existing Frontier owned pole. The temporarily routed fiber will continue East to the nearest existing PSE power pole and will consist placing new down guys as per the design. Once Skagit PUD’s proposed pedestrian/transmission line bridge & boring work has been completed, Frontier crews will reinstall the removed pole and reattach the aerial fiber back along its original route. All necessary splicing for a fully functional fiber system in its original location is included. PUD will assist Frontier in providing the necessary TCP and WSDOT permit application for this work.

Sincerely,

Bret Murdock

Frontier – Signature

Network Engineer

Frontier – Title

REV 3-24-14
TEMPORARY RELOCATION PLAN

- Cut fiber dead.
- Place new fiber on PSE poles.
- Place new aerial fiber on PSE poles.
- Splice new fiber to existing fiber. After splice is complete, move fiber space to other side of roadway, see dashed line for detail.

GROUND LAY 3/4" SUBD Clark St. (EGG) and under bridge, place fiber through.
- Subject, place risers and down guys at both ends.

POINTS OF CONTACT
MIKE BENTON
360-849-4439

SCHEDULING: JOHN WOOD
PHONE: 425-261-5412
ENGINEER: BRAD INWOOD
PHONE: 425-477-1065
FAX: 425-261-4000
FIELDED BY:

FRONTIER COMMUNICATIONS
SWLY-CIAC RELOC FACILITIES
SR9 MP 51.00-MP 51.26

TOTAL ALLOCATED HOURS

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W.O. DRIVER
- ETHERNET
- CIAC
- DAMAGE
- OTHER

CONSTRUCTION
- MUNICIPALITY
- WORKS
- PERMIT
- MARY
- EFFECTIVE DATE
- IN SERVICE DATE
- LMR
- CONTRACTOR

OPEN ACCOUNT CODES
- UG FIBER
- CONDUIT
- POWER

POINTS OF CONTACT
MIKE BENTON
360-849-4439

SCHEDULING: JOHN WOOD
PHONE: 425-261-5412
ENGINEER: BRAD INWOOD
PHONE: 425-477-1065
FAX: 425-261-4000
FIELDED BY:

FRONTIER COMMUNICATIONS
SWLY-CIAC RELOC FACILITIES
SR9 MP 51.00-MP 51.26
December 10, 2019

TO: George Sidhu, P.E., General Manager

FROM: Mark Handzlik, P.E., Engineering Manager

SUBJECT: Judy Reservoir to Mount Vernon Transmission Pipeline – Phase 2 Project - Contract Design Modification

Requested Action:
Authorize the General Manager to execute Modification No. 5 to Task Order #016 with HDR, Inc. in the amount of $473,638.00 for engineering design services related to Judy Reservoir to Mount Vernon Transmission Pipeline Phase 2 Final Design and transfer the same amount from the 2019 McLean Road Phase II budget to the Judy Reservoir to Mount Vernon Transmission Pipeline Phase 2 budget.

Background:
The Judy Reservoir to Mount Vernon Transmission Pipeline Project connects the District’s Water Treatment Plant at Judy Reservoir with the domestic water system serving Mount Vernon and the surrounding Skagit County area. The new pipeline is the long-term replacement for the existing pipeline and is required to satisfy increased water demands in the system and provide continued reliability. An existing 24-inch-diameter transmission line, installed in 1961, currently serves the area and will remain in service for an undetermined period of time depending on its condition. The new transmission pipeline has been sized at 36-inches and will include a fiber optic conduit to the District’s water treatment plant.

In 2009, the District completed the installation of the Phase 1 segment between North Laventure and State Route 538 in Mount Vernon. This section of pipeline is approximately 1.6 miles in length. Phase 2 will extend from State Route 538 to a connection point near the District’s Water Treatment facilities at Judy Reservoir. The Phase 2 pipeline length is approximately 5.3 miles.

Attached for reference are descriptions of the additional work. In general, the modifications include survey, geotechnical work, design, and permitting associated with easement acquisition, abandonment of the 24-inch concrete cylinder transmission line, changes in alignment, and the addition of a distribution line for future use along Old Day Creek Road between Timber Lane and the water treatment plant.

The original plan sought to keep the existing 24-inch transmission line in service to serve customers who obtain water directly from the transmission line. It was also planned to use the existing transmission line as a redundant supply in case of catastrophic failure of the new transmission line.
In May of 2019 it was decided to abandon the existing transmission line out of concern over its long-term usefulness and reliability. In June of 2019 those concerns were confirmed when the existing 24-inch concrete cylinder transmission line ruptured in two locations. Simply by the occurrence of these two breaks and examining sections of the removed pipe it became apparent that the reliability of the existing transmission line is questionable at best.

Currently there are fifteen services that are served from the existing transmission line. These services will need to be transferred to a distribution system. This change includes the design of that system to serve these customers and provides for future extension of the system to serve others.

Changes in alignment include routing the new transmission line along a portion of Fox Road. This revised alignment moves the pipe from a field east of Beaver Lake Road to Fox Road that has high groundwater from November through March. The new alignment removes the pipe from the saturated area to the road bed. This alignment change will decrease the groundwater drawdown requirement and result in lower dewatering risks and lower construction costs.

The additional distribution piping on Old Day Creek Road is to provide for distribution improvements in the Panorama pressure zone. The planned improvements will serve customers along Old Day Creek Road who are currently served from the transmission line. The pipe will also provide distribution water from the planned Panorama Reservoir to customers along Old Day Creek Road and Morford Road.

The storage component of this project is planned and budgeted for design in 2020, and construction in 2021 and 2022. By placing the pipe in conjunction with the transmission line project, the District capitalizes on the environmental and right of way permitting effort currently under way. Additionally, there are economies of scale as the contractor will be on site and can conduct the installation at the same time the transmission line is constructed. This will eliminate a future right of way impact and eliminate a future imposition to the traveling public and adjacent home owners.

Other significant scope changes include additional geotechnical work to better understand the limits of rock excavation and dewatering drawdown rates. This information will aid in solidifying the cost of construction.

**Fiscal Impact:**

Included in the 2019 Capital Budget was $4,000,000 for the design of the transmission line. The 2019 McLean Road Phase II project is projected to come in approximately $1,000,000 under budget. To preserve the Transmission Line project funding, $473,638.00 is requested to be transferred from the McLean Road Phase II budget to the Judy Water Treatment Plant to Mount Vernon Transmission Pipeline project for these changes.

Attachment: Design Scope of Services (2)
Public Utility District No. 1 of Skagit County
Judy Reservoir to Mount Vernon Transmission Pipeline – Phase 2

Task Order No. 16
Modification No. 5
Attachment 1

Additional Final Design and Permitting Services
(Water Distribution Lines, Fox Road Realignment, Service Road and Northern Extension, and Additional Staging and Access Areas)

Scope of Services
December 5, 2019

929 108th Avenue NE
Suite 1300
Bellevue, WA  98004-5549
(425) 450-6200
# Agenda Item #15

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### Attachment 1A: Drawing List (New Drawings and Drawings that Require Revisions)
SCOPE OF SERVICES

Background Information

On May 14, 2019, the District decided that the existing 24-inch-diameter water transmission pipeline will be abandoned and decommissioned as part of this project after the new 36-inch-diameter water transmission pipeline is installed and operational. This abandonment will require the existing water distribution lines and services to be transferred from the existing 24-inch-diameter water transmission pipeline to the new 36-inch-diameter water transmission pipeline. This transfer will happen shortly after the 36-inch-diameter water transmission pipeline is tested and in service. This scope change will require additional design, as well as amendments to permit applications currently submitted and under review. The additional design and permitting services are included in this Modification No. 5 to Task Order No. 016.

On May 14, 2019, the District requested that HDR evaluate a potential realignment of the water transmission pipeline within Fox Road. Later, the District decided to realign the pipeline in this area to avoid standing surface water and improve access to appurtenances. On June 27, 2019, the District indicated a preference for the realignment to be located parallel to Fox Road but outside of the right-of-way within adjacent private property. This will require additional engineering services and amendments to permit applications. The additional design and permitting services are included in this Modification No. 5 to Task Order No. 016.

In addition to the changes to design and permitting related to the water distribution lines and services and Fox Road realignment, the changes triggered redelineation of the project construction limits (Area of Potential Effect) and additional easement acquisition.

This Modification No. 5 also includes the following additional services:

- Easement Acquisition Support:
  - During the monthly progress meeting on April 25, 2019, the District requested additional easement acquisition support from HDR, which includes additional coordination with the District and Tierra to provide regular coordination, tracking, and prioritization of easement exhibits and legal descriptions prepared by Puget Sound Energy (PSE); preparing additional revisions of the Aerial Mapbook to support ongoing easement acquisition efforts; estimating easement areas; identifying property-specific questions about restoration to support easement negotiations; preparing a Property Owner Questionnaire; and preparing utility crossing exhibits. (Preparation of additional easement exhibits only by PSE was covered separately under Modification No. 2.)

- Additional Skagit County Permits:
  - During the Skagit County Pre-Application Meeting on February 7, 2019, Skagit County identified two additional permits that would be required (Flood Plain Development Permit and Temporary Use Permit for Gunderson/Coltrin Road).

- Additional Washington State Department of Transportation (WSDOT) Permits:
  - WSDOT responded to the District and HDR’s questions about the WSDOT permit approvals on April 12, 2019. As part of their response, it was determined that one additional permit application was required for WSDOT than included in the original scope of work (for construction access off of the SR 9 bridge to support the bridge
In addition, due to the abandonment of the existing 24-inch-diameter water transmission pipeline and transfer of water services to the new 36-inch-diameter water transmission pipeline, a new water distribution line is required to be installed under State Route (SR) 9, resulting in an additional WSDOT permit application.

- **Northern Extension of Service Road:**
  - The District is working with the Skagit County Parks Department (SCPD) to design the northern extension of the Service Road and base for a future trail along the SCPD owned Centennial Trail corridor. The road segment is north of where the proposed Service Road ends and transmission pipeline alignment turns east and will extend approximately 2,500 LF to Beaver Lake Road at Clear Lake.
  - The preliminary design of this road was established as part of this task to determine alignment, clearing limits, property needs, wetland impacts, and the area of potential effect (APE). This information was needed initially to support permit amendments and applications in order to include this added segment with the rest of the pipeline service road. The intent is for the District to complete the clearing, grading and filling and initial surfacing under the transmission pipeline construction contract. Final surfacing would be completed later by the SCPD. The design and construction for the northern extension of the Service Road has been broken out as a separate cost to support negotiations between the District and SCPD. The northern extension of the Service Road is included in the permitting under subtask modification to Subtask 230 – Permitting, covered by the District.

- **Additional Staging and Access Areas:**
  - The District requested that construction limits be expanded within Skagit County property to provide the contractor more flexibility with staging and access. Revision of construction limits will require revisions to design drawings and permit applications.
  - In addition, this scope change will require additional cultural resources survey of the expanded construction limits to support design and updating of permit documentation for the realignment. Cultural Resources Survey and reporting is one of the essential activities needed to support permitting and design. The Cultural Resource Survey will be captured in an amended report to be submitted to the US Army Corps of Engineers (USACE) to support the 404 Permit application. The USACE has indicated that the project will require monitoring of target locations during construction. The District has requested that the Monitoring Plan and Construction Personnel Training be included in the scope.

Modification No. 5 to the Original Agreement for Professional Services for Task Order No. 016 includes revisions to the following tasks/subtasks:

- **Task 201 Hydraulic Transient Analysis – Additional subtask has been included to update hydraulic model due to changes to distribution system turnouts and valve location changes:**
  - Subtask 201.10 – Hydraulic Model Update

- **Task 202 Surveying Support during Final Design – Additional subtask has been included to provide additional survey services during final design:**
  - Subtask 202.3 – Additional Surveying Support
• Task 206 Final Design Drawings – Additional subtasks have been included to support final design (design revisions) and provide easement acquisition support:
  o Subtask 206.10 – Easement Acquisition Support
  o Subtask 206.11 – Final Design for Water Distribution and Fox Road Realignment
  o Subtask 206.12 – Service Road Alignment and Stormwater Design Integration
  o Subtask 206.13 – Design of Northern Extension of Service Road
  o Subtask 206.14 – Expanded Construction Limits for Staging and Access

• Task 207 East Fork Nookachamps Creek Aerial Crossing - Additional subtask has been included to include a deck for the full length of the pipeline to allow ease of access for inspections and maintenance. (This change was a result of the 60% Design Review.)
  o Subtask 207.4 – Maintenance Deck and Access Design

• Task 208 Specifications and Special Conditions – Additional subtask has been included to provide additional specification modifications for the Fox Road realignment and distribution system modifications.
  o Task 208.1 – Specifications and Special Conditions for Fox Road Realignment and Distribution System

• Task 209 Opinions of Probable Construction Cost – Additional subtask has been included to incorporate Fox Road realignment and distribution system modifications and breakdown of Service Road into the Opinion of Probable Construction Cost.
  o Task 209.1 – Opinions of Probable Construction Cost for Fox Road Realignment and Distribution System and Service Road Breakdown

• Task 230 State and Local Permit Applications – Additional services have been included in the following existing subtasks to support preparation of additional permit applications and modifications to permit applications that have already been prepared based on design revisions:
  o Subtask 230.1 - Agency/Stakeholder Consultation and Permitting Meetings
  o Subtask 230.2 – Update of Permit Matrix and Permit/Approval Status Table
  o Subtask 230.3 – Permit Application Preparation (State and Local Permits)
  o Subtask 230.4 – Permit Drawing Support
  o Subtask 230.5 – Response to Agency Comments
  o Subtask 230.10 - Additional Cultural Resources Support

• Task 280 Management & Administration during Final Design – Additional services have been included to coordinate and manage the project team for an additional 3 months, including preparation of monthly status reports and invoices and update of the project schedule.

• Task 285 Meetings during Final Design – Additional services have been included to prepare for and attend additional meetings to support final design for an additional 3 months.
Scope of Services

The Scope of Services and deliverables for Modification No. 5 to Task Order No. 016 are provided below.

Task 201 - Hydraulic Transient Analysis

This task has been modified by this Modification No. 5 to include new Subtasks 201.10 to update the hydraulic model developed in Task Order No. 14 – Task 108 to match the design with the new valve and turnout locations between reservoir and North Laventure.

Subtask 201.10 – Update Hydraulic Model

Objectives:

Update the transmission line hydraulic model previously developed with the new turnout and valve locations to allow the transient modeling to move forward based on current design.

Consultant Services:

1. Update the transmission line hydraulic model that will contain the following components: transmission pipe network, junction nodes, storage reservoir(s), source facility (i.e., diversion structures), and a connection to existing distribution system at the Judy Reservoir.
2. Run model simulations on new pipeline with latest turnout locations and flows.
3. Model analysis of pressures and velocities under maximum and minimum conditions.
4. Develop and include the model analyses results in a brief addendum report to the Hydraulic Analysis Technical Memorandum develop in Task 108.

District Responsibilities:

1. Provide a detailed list of data for new distribution lines and services connected to the waterline. Data to include address, size, pipe material and meter type.
2. Provide flow summary (branch lines).
3. Assist with selecting operating flow scenarios for the pipeline system.
4. Review and provide written comments on deliverables.

Assumptions:

1. Same assumptions as Task Order No. 14 Task 108 Hydraulic Analysis.
2. Up to two simulations will be evaluated with single pipe and any adjustments made to the new turnout locations.
3. Same flow conditions as previous model study.
4. Same boundary conditions as previous model study.

Deliverables:

2. Brief update to Technical Memorandum (TM) developed under Task 108. (Draft and Final).
Task 202 – Surveying Support during Final Design (PSE)

This task has been modified by this Modification No. 5 to include new Subtask 202.3.

Subtask 202.3 – Additional Surveying Support (PSE)

Consultant Services:
Additional survey services include the following:
1. Field surveying and CAD basemapping for the following areas:
   a) Survey of Skagit Land Trust entrance.
   b) Survey of potholing at Church property and Judy Reservoir site.
   c) Survey support for relocating overhead power at the Church property.
2. Prepare additional easement exhibits for up to four properties.
3. Private utility locates by subconsultant of PSE.
4. Coordinate with PSE and District for scheduling and information needed from additional surveying.
5. Review of survey updates and incorporate into design files.

District Responsibilities:
1. District will provide surveyor with right of entry for work on private property.

Assumptions:
1. Electronic files (AutoCAD) will be provided to HDR for each survey task.
2. The survey work will be performed by ground methods.
3. CAD will be performed in accordance with District CAD standards.
4. Underground utilities will be located by utilities using One-Call system.
5. One-Call will be notified by surveyor.

Deliverables:
1. AutoCAD drawing file updates will be provided for each task area in the project coordinate system.

Task 206 – Final Design Drawings (HDR)

This task has been modified by this Modification No. 5 to include new Subtasks 206.10, 206.11, 206.12, 206.13, and 206.14 to provide easement acquisition support and to support design revisions (water distribution lines and services, Fox Road realignment, service road alignment and stormwater design integration, northern extension of service road, and expanded construction limits for staging and access).
Subtask 206.10 – Easement Acquisition Support

Objective:
Provide technical, administrative, and GIS services to assist the District to obtain miscellaneous permanent and temporary construction easements for the pipeline and access.

Consultant Services:
1. Prepare a draft Property Owner Questionnaire to support easement acquisition efforts and mark-up Aerial Mapbook with specific property restoration questions.
2. Refine potential permanent or temporary construction easement needs by redline mark-up on drawings for selected route.
3. Prepare additional iterations of the Aerial Mapbook to support easement acquisition efforts, including estimated easement areas and updating area estimates to areas per PSE once exhibits have been prepared.
4. Review and comment on general easement language prepared by District.
5. Once easements are obtained, review and incorporate constraints and requirements into the Contract Documents.
6. Coordinate with District and Tierra regarding easement tracking, priorities, and easement exhibits. Coordination includes email communications, phone calls, and conference calls. Maintain and review tracking sheets for easement transactions and action items.
7. Prepare seven CAD figures to support utility crossing consent agreements with major utilities.

District Responsibilities:
1. Create easement documents and easement descriptions.
2. Obtain legal review of documents by others.
3. Lead and direct individual work tasks and negotiate easements with property owner.
5. Provide written markups and other direction on changes for Aerial Mapbook updates.

Assumptions:
1. Aerial Mapbook will be primary tool to capture and communicate construction limits, easement boundaries, easement data, and special restoration requirements to support property owner negotiations and preparation of legal exhibits.
2. Work to be performed by HDR as specifically requested by the District via e-mail or verbal.
3. Due to indefinite scope, work will be performed on time and material (T & M) basis. Allowance is budgeted in the amount of 248 hours for contracting purposes only and may need to be amended at a later time.
4. Up to 6 additional full or partial updates to Aerial Mapbook will be prepared, including updates to easement areas and construction limits. (Original scope included 3 updates at 30%, 60%, 90% and 100% design submittals.)
5. Up to 40 easements will be reviewed and incorporated into the construction contract (19 permanent, 19 temporary, and two additional for contingency).

6. General coordination and tracking: Assume up to 6 hours for Project Manager and up to 12 hours for Project Engineer.

**Deliverables:**

1. Property Owner Questionnaire in the form of a list on 8.5 X 11 page (Draft and Final)

2. Aerial Mapbook Updates (up to 6 updates), including updates to construction and easement limits.

3. Review comments on proposed general easement language prepared by the District.

4. Tracking spreadsheet.

5. Email coordination and teleconferences with Tierra and the District.

6. Utility Crossing Exhibits in PDF format emailed to client and Terra. (Draft and Final)

**Subtask 206.11 – Final Design for Water Distribution System and Fox Road Realignment**

**Objective:**

Complete design and development of contract drawings for final design of the water distribution system due to the 24-inch-diameter pipeline abandonment and the realignment of the water transmission pipeline parallel to Fox Road. Prepare drawings to include in the 90- and 100-percent design submittals and Bid Ready submittals. Existing drawings will be revised where applicable, and new drawings will be created to address facilities outside of the original project construction limits.

**Consultant Services:**

1. Development and Evaluation of Concepts for Water Distribution Lines and Services:
   a) Develop conceptual schematic drawings of the new water distribution lines and services based on the District’s GIS data to coordinate with the District on establishing the basis of design and evaluate the design, environmental, and permitting implications.
   b) Identify additional information and data needs to support final design for the areas of the new water distribution lines and services.
   c) Participate in up to four 2-hour conference calls to establish the layout and basis of design for the new water distribution lines and services. Assume up to two consultant staff will attend the conference calls.

2. Development and Evaluation of Concepts for Water Transmission Pipeline within or adjacent to Fox Road:
   a) Identify and evaluate potential alignments for the new water transmission pipeline within or adjacent to Fox Road, including evaluation of technical, environmental, permitting, and easement implications. Evaluations will include development of up to three alternatives including conceptual figure markups and lists of pros and cons for each alternative.
   b) Identify additional information and data needs to support final design for the new alignment of the water transmission pipeline parallel to Fox Road.
c) Participate in up to two 1-hour conference calls to support decision of alignment of water transmission pipeline within or adjacent to Fox Road. Assume one consultant staff will attend these conference calls.

3. Drawing Development:

a) Prepare up to an additional 19 drawings developed to the Bid Ready level under this task to support the water distribution system and service modifications and the Fox Road realignment. An assumed list of drawings is included as Attachment 1A to this Scope of Services that identifies the new drawings that have been added to support the new work under this Modification No. 5.
   i. Provide the District with review submittals at 90- and 100-percent design.
   ii. Prepare Bid Ready drawing set.

b) Revise up to 90 drawings already included in the drawing set to incorporate the water distribution system and service modifications and the Fox Road realignment. An assumed list of drawings is included as Attachment 1A to this Scope of Services that identifies the existing drawings (drawings that were already in scope of work) that require revisions to support the new work under this Modification No. 5.

c) Incorporate agreed-upon review comments in the 100-percent and Bid Ready drawings.

d) Respond in writing to District comments on the 90- and 100-percent design submittals. This information will be contained in an Excel spreadsheet comment response format.

e) Judy Reservoir Finish Water Connection: Review of the District’s design for the Judy Reservoir connection.

District Responsibilities:

1. Review and provide comments on deliverables.

2. Provide single set of consolidated comments within two weeks after each design submittal (90- and 100-percent design submittals).

3. Provide detail requirements for any service alteration work (type, size, meter, etc.) for each service connection.

4. Coordinate with affected utilities to determine design requirements for utility relocations.

5. Rights of entry and informing property owners will be done by the District. Consultant will provide one week notice for these requests.

6. Conduct negotiations with property owners for restoration of landscaping and fences.

Assumptions:

1. Drawing Development:
   a) Design will result in an additional 19 drawings prepared under Task 206; see Attachment 1A to this Scope of Services.
   b) Design will result in modification to up to 90 drawings already included in the drawing set; see Attachment 1A to this Scope of Services. QC review of drawings to be modified is included in original scope of work; no additional effort is assumed.
   c) A 1” = 20’ horizontal scale will be used for typical plan and profile.
d) Drawings will be prepared per HDR drafting standards as specified in the Consultant’s CAD Production Guidelines Manual.

e) Construction will be bid with one contract, conventional design-bid-build approach.

f) Design applies to a single alignment.

**Deliverables:**

1. Development and Evaluation of Concepts for Water Distribution Lines and Services:
   a) Conceptual schematic drawings of the water distribution lines and services on mapbook format, including list of information and data needs. (Draft and Final)

2. Development and Evaluation of Concepts for Water Transmission Pipeline within or adjacent to Fox Road:
   a) E-mail summarizing evaluation of potential alignments (up to three alternatives) for the new water transmission pipeline within or adjacent to Fox Road, including evaluation of design, environmental, permitting, and easement implications.
   b) E-mail summarizing information and data needs to support final design for the new alignment of the water transmission pipeline parallel to Fox Road.

3. Drawing Development:
   a) 90-percent design drawings half-size (11”x17”, electronic PDF and AutoCAD files).
   b) 100-percent design drawings half-size (11”x17”, electronic PDF and AutoCAD files).
   c) Bid Ready drawing Stamped set (11”x17”, electronic PDF and AutoCAD files).

**Subtask 206.12 – Service Road Alignment and Stormwater Design Integration**

**Objective:**

Complete design and development of contract drawings for the Service Road integrated with storm drainage system for flow control that meets stormwater regulations and also satisfies other regulatory, property, geotechnical, and constructability constraints that were not known at the time of original proposal. Service road originally was to be located on centerline of pipeline with 4-inch crushed rock surfacing within the abandoned railroad embankment. Original service road design was included as part of scope of work; however, it was anticipated that service road could be shown on current restoration plans with minimal grading (cutting/filling) and centered on pipe alignment. Various restrictions prevented locating the trail on the same alignment as the pipe (e.g., avoiding specific properties, wetland impacts, etc.). This necessitates preparing separate service road plan and profiles on separate set of drawings rather than the restoration plans. Overall objective is to coordinate phased construction of pipeline and service road with future construction of trail.

**Consultant Services:**

1. Assist the District and Skagit County Parks with identifying long term requirements for future trail with District pipeline and service road design. Assisted with understanding of drainage requirements and integrating potential low cost alternatives with Service Road with future trail construction.
2. Develop Service Road and future trail section and phasing strategy including separate bid schedule and bid items.

3. Evaluate drainage impacts off site and design of culverts at selected locations to mitigate for potential trapped water and bypass flows to avoid problems by grading of pipeline.

4. Prepare up to 20 Service Road Plan and Profile drawings and 1 detail sheet (to include storm culvert profiles and details) developed to the Bid Ready level to meet regulatory, property, and constructability restrictions and include required drainage features. (Basic service road design included in original scope of services.)
   a) Provide the District with review submittals at 90- and 100-percent design.
   b) Prepare Bid Ready drawing set.

5. Revise up to 22 drawings (02C series) to reference new Service Road Plan and Profile drawings and show final horizontal alignment of service road trail. Revise one detail sheet to include four typical sections of service road.

6. Incorporate agreed-upon District and SCPD review comments in the 100-percent and Bid Ready drawings.

7. Respond in writing to District comments on the 90- and 100-percent design submittals. This information will be contained in an Excel spreadsheet comment response format.

**District Responsibilities:**

1. Review and provide comments on deliverables.
2. Provide single set of consolidated comments within two weeks after each design submittal (90- and 100-percent design submittals).
3. Coordinate with SCPD on cost sharing coordination and design reviews.

**Assumptions:**

1. Analysis of drainage flow control concept alternatives and gaining approval of storm drainage flow control was covered by Task 240 – Stormwater Evaluations.
2. Prepare or modify drawings developed to the Bid Ready level under this task to support the development of the Service Road; see Attachment 1A to this Scope of Services. Drawings include the following:
   a) New Plan and Profile (20 Sheets)
   b) Modify ESC and Restoration (22 Sheets)
   c) New Details (1 Sheet)
   d) Modify Detail Sheet (1 Sheet)
3. Construction will be phased with 4-inches of permeable ballast placed by the District.
4. A 1” = 20’ horizontal scale will be used for typical plan and profile.
5. Drawings will be prepared per HDR drafting standards as specified in the Consultant’s CAD Production Guidelines Manual.
6. Design applies to a single alignment for the service road.
Deliverables:
1. Conceptual sketches and description of the Service Road and future trail.
2. E-mail summarizing evaluation of alignment, environmental impacts, permitting considerations, easement implications and cost sharing.
3. 90-percent design drawings half-size (11"x17", electronic PDF and AutoCAD files).
4. 100-percent design drawings half-size (11"x17", electronic PDF and AutoCAD files).
5. Bid Ready drawing Stamped set (11"x17", electronic PDF and AutoCAD files).

Subtask 206.13 – Design of Northern Extension of Service Road

Objective:
Complete design and development of contract drawings for final design of the northern extension of the Service Road that is approximately 2,500 feet long. Prepare drawings to include in the 90 and 100-percent and Bid Ready design submittals. Existing drawings will be revised where applicable, and new drawings will be created to address facilities outside of the original project construction limits.

Consultant Services:
1. Prepare Aerial Mapbook pages for evaluation of service road/trail extension north of pipeline and evaluate feasibility, wetland impacts, property impacts, assessment of scope.
2. Develop conceptual alignment for the service road to be contained within Skagit County ownership. Develop alignment that minimizes temporary and permanent wetland impacts, minimizes impact on flood plain, and results in balanced cut and fill. Prepare construction limits for service road and future trail for update to Aerial Mapbook and amendment to the cultural resources inventory.
3. Assist the District with evaluating of phasing of the northern extension of the Service Road and future trail construction. Assist with strategic planning related to the future trail and permitting.
4. Prepare up to an additional 12 drawings developed to the Bid Ready level under this task to support the design of the northern extension of the Service Road. An assumed list of drawings is included as Attachment 1A to this Scope of Services that identifies the new drawings that have been added to support the new work under this Modification No. 5.
   a) Provide the District with review submittals at 90- and 100-percent design.
   b) Prepare Bid Ready drawing set.
5. Revise up to 6 drawings already included in the drawing set to incorporate the northern extension of the service road. An assumed list of drawings is included as Attachment 1A to this Scope of Services that identifies the existing drawings (drawings that were already in scope of work) that require revisions to support the new work under this Modification No. 5.
6. Incorporate agreed-upon review comments in the 100-percent and Bid Ready drawings.
7. Respond in writing to District and SCPD comments on the 90- and 100-percent design submittals. This information will be contained in an Excel spreadsheet comment response format.

**District Responsibilities:**
1. Review and provide comments on deliverables.
2. Provide single set of consolidated comments within two weeks after each design submittal (90- and 100-percent design submittals.)
3. Coordinate with SCPD on cost sharing coordination and design reviews.
4. Rights of entry and informing property owners will be done by the District.

**Assumptions:**
1. Design will result in an additional 12 drawings developed to the Bid Ready level under this task to support the development of the northern extension of Service Road; see Attachment 1A to this Scope of Services. Drawings include the following:
   a) Plan and Profile (6 Sheets)
   b) ESC and Restoration (6 Sheets)
2. Design will result in modification to up to 6 drawings already included in the drawing set (primarily General sheets); see Attachment 1A to this Scope of Services.
3. A 1” = 20’ horizontal scale will be used for typical plan and profile.
4. Drawings will be prepared per HDR drafting standards as specified in the Consultant’s CAD Production Guidelines Manual.
5. Construction will be bid with one contract, conventional design-bid-build approach.

**Deliverables:**
1. Aerial Mapbook pages of northern extension of Service Road. (Draft and Final)
2. Conceptual drawings of the service road and future trail. (Draft and Final)
3. E-mail summarizing evaluation of alignment, environmental impacts, permitting considerations, easement implications and cost sharing, and strategic planning.
4. 90-percent design drawings half-size (11”x17”, electronic PDF and AutoCAD files).
5. 100-percent design drawings half-size (11”x17”, electronic PDF and AutoCAD files).

**Subtask 206.14 – Expanded Construction Limits for Staging and Access**

**Objective:**
Revise design and development of contract drawings for final design of the inclusion of additional staging and access locations from SR 9.
Consultant Services:
1. Evaluate expanding construction limits within Skagit County property (feasibility, assessment of scope impacts, etc.).
2. Revise up to 26 drawings already included in the drawing set to incorporate the expanded construction limits and optional construction areas. An assumed list of drawings is included as Attachment 1A to this Scope of Services that identifies the existing drawings (drawings that were already in scope of work) that require revisions to support the new work under this Modification No. 5.
3. Incorporate agreed-upon review comments in the 100-percent and Bid Ready drawings.
4. Respond in writing to District review comments on the 90- and 100-percent design submittals. This information will be contained in an Excel spreadsheet comment response format.

District Responsibilities:
1. Review and provide comments on deliverables.
2. Provide single set of consolidated comments within two weeks after each design submittal (90- and 100-percent design submittals).

Assumptions:
1. Modify up to 26 drawings developed to the Bid Ready level under this task to incorporate the expanded construction limits and optional construction areas.
2. A 1” = 20’ horizontal scale will be used for typical plan and profile.
3. Drawings will be prepared per HDR drafting standards as specified in the Consultant’s CAD Production Guidelines Manual.
4. Construction will be bid with one contract, conventional design-bid-build approach.

Deliverables:
1. E-mail summarizing evaluation of expanded construction limits with Skagit County property (feasibility, assessment of scope impacts, etc.)
2. 90-percent design drawings half-size (11”x17”, electronic PDF and AutoCAD files).
3. 100-percent design drawings half-size (11”x17”, electronic PDF and AutoCAD files).
4. Bid Ready drawing Stamped set (11”x17”, electronic PDF and AutoCAD files).

Task 207 - East Fork Nookachamps Creek Aerial Crossing
This task has been modified by this Modification No. 5 to include new Subtasks 207.4 to include a maintenance platform and access features to allow ease of access to the pipeline. These features will also improve security.
Subtask 207.4 – Maintenance Deck and Access Design

Objectives:
Add maintenance platform and associated supports and structural upgrades to allow operator access for inspections and maintenance.

Consultant Services:
1. Prepare design criteria and concept level sketches for platform and access points.
2. Update structural calculations to accommodate loads from deck and adjustment of the remainder of superstructure.
3. Modify design drawings for the 90- and 100-percent submittals.
4. Modify specifications to include deck system.

District Responsibilities:
1. Provide single set of consolidated comments within two weeks after each design submittal. Comments to be resolved between District and Skagit County and then combined into one document provided to consultant.
2. Coordinate with Skagit County Parks Department for design reviews.
3. Provide guidance on operations and maintenance criteria and needs for deck.

Assumptions:
1. Design criteria will be established by phone conference with District and documented by email.
2. Design will require modifications to approximately 10 drawings in the 05C200 Drawing Series).
3. Deck will be on both sides of pipe for full length. Deck will require addition of structural supports between the stringers.
4. Access will be from under bridge at the abutments. This will require walkway from service road to underside of deck.
5. Railing required on sides to avoid requirement for fall protection.

Deliverables:
1. E-mail summarizing design criteria and concept level sketches for platform and access points.
2. 90-percent design drawings half-size (11”x17”, electronic PDF and AutoCAD files).
3. 100-percent design drawings half-size (11”x17”, electronic PDF and AutoCAD files).
4. Technical Specifications for the 90- and 100-percent submittals (Word and electronic PDF files).
5. Bid Ready Drawings and Specifications (11”x17”, electronic PDF and AutoCAD files).
Task 208 – Specifications and Contract Special Conditions
This task has been modified by this Modification No. 5 to include new Subtask 208.1.

Subtask 208.1 – Specifications and Special Conditions for Fox Road Realignment and Distribution System

Objective:
Prepare special conditions and technical specifications for the design of the distribution system components.

Consultant Services:
1. Revise up to 5 technical specifications already included in the design to incorporate requirements for the water distribution lines and services.
2. Incorporate agreed-upon review comments in the 90- and 100-percent and Bid Ready documents.
3. Respond in writing to District comments on the 90- and 100-percent design submittals. This information will be contained in an Excel spreadsheet.

District Responsibilities:
1. Provide single set of consolidated comments within two weeks after each design submittal (90-, and 100-percent design submittals).

Assumptions:
1. Distribution system specifications to be based on PUD standard specifications for distribution system.
2. Revisions to the 90- and 100-percent documents (to prepare Bid Ready documents) will utilize the track changes function in MS Word. Submit electronic copies of the 100-percent version.
3. Same assumptions as Task 208.

Deliverables:
1. 90-percent specifications (electronic format).
2. 100-percent specifications (electronic format).

Task 209 – Opinions of Probable Construction Cost
This task has been modified by this Modification No. 5 to include new Subtask 209.1.

Subtask 209.1 – Opinions of Probable Construction Cost for Fox Road Realignment and Distribution System and Service Road Breakdown

Objective:
Prepare opinions of probable construction cost (OPCC) to benchmark planned construction costs for the Fox Road realignment and distribution system.
Consultant Services:
1. Revise the list of bid items to incorporate the design of the water distribution lines and services.
2. Revise the list of bid items to incorporate the design of the Service Road and North Service Road for splitting of costs between District and the Skagit County Parks.
3. Revise the OPCC based on 100-percent design documents to include the water distribution lines and services and realignment of the water transmission pipeline adjacent to Fox Road.
4. Revise the technical memorandum at 100-percent design submittal to include the water distribution lines and services and realignment of the water transmission pipeline adjacent to Fox Road.
5. Set up additional bid items and schedule to accommodate potential finishing of Centennial Trail along pipeline and North Service Road alignment.
6. Modify Opinion of Probable Construction Cost for the Maintenance Deck at the 100-percent design levels for the Engineer’s Estimate.
7. Accommodate an increase in breakdown of bid items from previously prepared list in 30% OPCC.

District Responsibilities:
1. Provide recent bid tabs on distribution pipeline projects.
2. Review and provide comments on deliverables.

Assumptions:
1. Same as Task 209.
2. Unit costs for standard items will be based on recent bids by the District from comparable projects and cost estimating guides.

Deliverables:
1. 100-percent level (Engineer’s Estimate) OPCC Technical Memorandum (Draft and Final, electronic format).

Task 230 – State and Local Permit Applications
This task has been modified by this Modification No. 5 to include revisions to Subtasks 230.1, 230.2, 230.3, 230.4, and 230.5 to support preparation of additional permit applications and modifications to permit applications that have already been prepared based on design revisions. Also included is new Subtask 230.10 for additional cultural survey of additions to the construction limits.

Subtask 230.1 – Agency/Stakeholder Consultation and Permitting Meetings
This subtask has been modified by this Modification No. 5 to include additional consultation with agencies to support the additional Skagit County and WSDOT permit applications and amendments to permit applications needed to incorporate the water distribution lines and services, realignment of the water transmission pipeline adjacent to Fox Road, change in construction limits, and northern extension to the Service Road.
Consultant Services:
Additional services include the following:
1. Work with District staff to schedule conference calls with the permitting agencies, jurisdictions, and stakeholders.
2. Participate in conference calls with agencies.
3. Document key telephone conversations with agencies/stakeholders.

District Responsibilities:
1. Work with Consultant staff to schedule conference calls.
2. Participate in agency/stakeholder conference calls.
3. Review and comment on e-mail summaries.

Assumptions:
1. Up to four additional conference calls will be prepared for and attended as requested by the District.
2. Up to two consultant team members will participate in the agency conference calls.
3. Assume up to 1 hour for each conference call for each attendee for preparation, attendance, and documentation of notes.
4. Agency coordination will take place via telephone or email.

Deliverables:
1. E-mail correspondence.
2. Telephone conversation records documenting key agency/stakeholder conversations (Draft and Final, electronic format).

Subtask 230.2 – Update of Permit Matrix and Permit/Approval Status Table
This subtask has been modified by this Modification No. 5 to include an additional update of the Permit Matrix to incorporate the additional Skagit County and WSDOT permit applications and amendments to permit applications needed to incorporate the water distribution lines and services, realignment of the water transmission pipeline adjacent to Fox Road, change in construction limits, and northern extension to the Service Road.

Consultant Services:
Additional services include the following:
1. Confirm permits and update regulatory requirements for construction and operation of the project.
2. Review and update the Permit Matrix as information is confirmed by the various permitting agencies on required permits, processing timelines, submittal requirements, etc.

District Responsibilities:
1. Review and provide comments on the Permit Matrix.
Assumptions:
1. The Permit Matrix will be updated one additional time to support permit acquisition efforts.

Deliverables:
1. Revised Permit Matrix (electronic format).

Subtask 230.3 – Permit Application Preparation (State and Local Permits)

This subtask has been modified by this Modification No. 5 to include additional Skagit County and WSDOT permit applications and amendments to permit applications needed to incorporate the water distribution lines and services, realignment of the water transmission pipeline adjacent to Fox Road, change in construction limits, and northern extension to the Service Road.

Consultant Services:
Additional services include the following:
1. Prepare additional draft and final applications and supporting submittal information (transmittal letters, permit application forms, submittal checklists, and project narratives) in a format that is acceptable to the permitting agencies.
2. Submit additional permit application packages to the various agencies.
3. Amend permit applications completed to date to incorporate the water distribution lines and services and realignment of the water transmission pipeline adjacent to Fox Road.

District Responsibilities:
1. Review draft permit applications and sign all final permit applications to the various agencies.
2. Participate in all agency meetings and public hearings as the Applicant/Project Proponent.
3. Pay all permit application and review fees.
4. Provide real estate information (legal descriptions, mailing lists for adjacent properties, etc.) as required in the application process.
5. Be responsible for negotiations of agreements such as Memorandum of Understandings and any other agreements needed to secure the rights to install the pipeline.
6. Be responsible for preparation and posting of any required notice boards/signs required in the permitting process.

Assumptions:
1. Below is a list of the additional permits/approvals identified during agency consultation; it is assumed that the following permits/approvals will be prepared and submitted as part of this subtask:
   - Washington Department of Transportation
     - WSDOT Construction Access (SR 9 Bridge)
     - WSDOT Utility Permit (SR 9, 8-inch water distribution line crossing)
   - Skagit County
     - Flood Plain Development Permit
Temporary Use Permit for Gunderson/Coltrin Road (Permit application prepared and then declined by WSDOT)

2. Below is a list of the current permits applications that have already been submitted to agencies that require amendments to incorporate the water distribution lines and services, realignment of the water transmission pipeline adjacent to Fox Road, change in construction limits, and northern extension to the Service Road:

- U.S. Army Corps of Engineers
  - Section 404 Permit – NWP 12 Utility Lines
- Washington Department of Ecology
  - 401 Water Quality Certification
- Washington Department of Fish and Wildlife
  - Hydraulic Permit Approval
- Skagit County
  - Hearing Examiner Administrative Special Use Permit
  - Shoreline Substantial Development Permit
  - Shoreline Conditional Use Permit
- Washington Department of Transportation:
  - WSDOT General Construction Access

3. Submittal of the additional permit application packages will require:
   a) Up to two in-person submittals.
   b) Up to two online submittals.

4. Submittal of the revised permit application packages will require:
   a) Up to five online submittals (Hydraulic Permit Approval online submittal is included in original scope of work).
   b) The remaining packages will be mailed.

5. Submittal of the revised permit application packages will require revisions to the following, organized by permit:
   a) U.S. Army Corps of Engineers Section 404 Permit – NWP 12 Utility Lines
      i. Cover letter summarizing changes and change in wetland impacts.
      ii. Revised Joint Aquatic Resources Permit Application (JARPA) form with edits in track changes.
      iii. Revised JARPA figures
      iv. Amended Bank Use Plan.
      v. Amended Wetlands Delineation Report

b) Washington Department of Ecology 401 Water Quality Certification
   i. Revised JARPA form and figures.

c) Washington Department of Fish and Wildlife Hydraulic Permit Approval (on-line submittal)
   i. Revised JARPA form and figures.
ii. Updates to design drawings are included under Task 206. Effort under this task is minimal to compile a PDF to support this permit application.

d) Skagit County Hearing Examiner Administrative Special Use Permit
   i. Cover letter summarizing changes.
   ii. Permit application form.
   iii. Narrative.
   iv. Updates to design drawings are included under Task 206. Effort under this task is minimal to compile a PDF to support this permit application.

e) Skagit County Shoreline Substantial Development Permit
   i. Cover letter summarizing changes.
   ii. Revised JARPA forms and figures.
   iii. Amended Wetlands Delineation Report
   iv. Amended Critical Areas Report
   v. Permit application form.
   vi. List of properties.
   vii. Narrative.
   viii. Project Overview Figure.
   ix. Shoreline Overview Figure.
   x. Shoreline Jurisdiction Maps.
   xi. Updates to design drawings are included under Task 206. Effort under this task is minimal to compile a PDF to support this permit application.

f) Shoreline Conditional Use Permit
   i. Cover letter summarizing changes.
   ii. Permit application form.
   iii. Narrative.
   iv. Project Overview Figure.
   v. Shoreline Overview Figure.
   vi. Shoreline Jurisdiction Maps.

6. As part of revised permit application packages, it is assumed that the following deliverables will not be required to be revised:
   a) Dewatering Discharge Plan

7. Though the Hydraulic Project Approval (HPA) permit application had not been formally submitted to Washington Department of Fish & Wildlife (WDFW), it was informally submitted and was ready for formal submittal to WDFW before the design changes occurred to alignment. The application now requires revisions, including an update to supporting drawings, as a result of the realignment of the water transmission pipeline adjacent to Fox Road.

**Deliverables:**

1. Additional permit application submittal packages (4) (Draft and Final, electronic format).
2. Revised permit application submittal packages (7) (Draft and Final, electronic format).
Subtask 230.4 – Permit Drawing Support

This subtask has been modified by this Modification No. 5 to include additional Skagit County and WSDOT permit applications and amendments to permit applications needed to incorporate the water distribution lines and services, realignment of the water transmission pipeline adjacent to Fox Road, change in construction limits, and northern extension to the Service Road.

Consultant Services:

Additional services include:

1. Prepare drawings in a format required by the permitting agencies.
2. Modify drawings to support response to agency comments.

District Responsibilities:

1. Review and provide comments on permit drawings.

Assumptions:

1. Design drawings will need minimal modifications to meet agency submittal requirements and respond to agency comments. Modifications include modifying the cover sheet for the permit submittal. No CAD support is required for modifications to permit drawings.
2. A unique permit design drawing set, formatted to comply with permit agency requirements, will be required for several permits. Only sheets relevant to each jurisdictional review will be modified and included in the permit sets.
3. Expenses assume nine sets of hard copy drawings (full-sized) for each permit application and 4 sets of electronic drawings.
   a) U.S. Army Corps of Engineers Section 404 Permit (1 set, electronic)
   b) Washington Department of Ecology 401 Water Quality Certification (1 set, electronic)
   c) WSDOT Construction Access (SR 9 Bridge) (1 set, electronic)
   d) WSDOT Utility Permit (SR 9, 8-inch water distribution line crossing) (1 set, electronic)
   e) Skagit County Shoreline Substantial Development Permit (3 sets, hard copy)
   f) Skagit County Shoreline Conditional Use Permit (3 sets, hard copy)
   g) Skagit County Administrative Special Use Permit (3 sets, hard copy)

Deliverables:

1. Drawings in a format to support permit application preparation and submittal.
2. Drawings in a format to respond to agency comments.

Subtask 230.5 – Response to Agency Comments

This subtask has been modified by this Modification No. 5 to include additional Skagit County and WSDOT permit applications and amendments to permit applications needed to incorporate the water distribution lines and services and realignment of the water transmission pipeline adjacent to Fox Road.
Consultant Services:
1. Assist the District in responding to comments from agencies and jurisdictions processing the various additional applications (and amended applications) noted in Subtask 230.3.
2. Skagit County Road Use – Assist District with responding to Skagit County comments requiring variances for open cut road crossings, road closures, and detours.

District Responsibilities:
1. Review responses to agency comments or questions.
2. Assist HDR with responding to questions and requests for additional information after permit application submittal.

Assumptions:
1. Follow-up coordination (e.g., respond to questions and requests for additional information after permit application submittal) will be coordinated by HDR.
2. Draft letters and comment/response tables for submittal of responses to comments will be prepared.
3. Level of effort assumes the following allowances for each new permit application package (up to 4 new permit application packages):
   a) Up to 12 hours for Permitting Lead.
   b) Up to 2 hours for Environmental Lead.
   c) Up to 2 hours for Project Manager.
   d) Up to 2 hours for Project Engineer.
4. Level of effort for responding to agency comments regarding revised or amended permit applications is included in original scope of work.

Deliverables:
1. Comment/response tables, transmittal letters, and drawings (Draft and Final, electronic format).

Subtask 230.10 – Additional Cultural Resources Support (HRA)
HRA conducted archaeological inventory fieldwork in February, March, and October 2018, and August 2019. The District is altering the area of potential effects (APE) by adding approximately 3.2 acres of access and laydown areas along the route and a northern service road covering approximately 2,500 linear feet.

Consultant Services:
Additional cultural resources services include the following:
1. Conduct Archaeological Inventory:
   a) Conduct an archaeological inventory of the additional access and laydown areas that the District has added to the project, using methodology consistent with that of the initial archaeological inventory.
b) Conduct an archaeological inventory of the service road – northern extension, as indicated on the 90% design.

c) Utility Locate Survey – Prior to archaeological subsurface survey, HRA will arrange for utility locates to meet the requirements of Washington’s Underground Utilities regulations (RCW 19.122). A locate service must be notified by the excavator (HRA) at least two (2) business days before digging. HRA will provide the locate service with adequate documentation in the form of maps and a text description to complete the survey. Multiple utility locate survey tickets will be required.

d) Fieldwork – Using the revised maps of the Project and design plans provided by the District, HRA will conduct an archaeological pedestrian survey up to 100 percent of the access and laydown areas (totaling approximately 3.2 acres) and service road (approximately 2,500 linear feet total length). Archaeologists will walk parallel transects within these proposed additions to the APE. During this survey, archaeologists will seek out and examine ground exposures (e.g., ditches). HRA will also excavate archaeological shovel probes (subsurface survey) in areas deemed to be of high and moderate sensitivity for archaeological deposits to further assess the probability for buried cultural materials in undisturbed areas. Probe placement will be up to the judgment of the field supervisor based on the Project's design plan, topographic circumstances, and other field observations. Excavated sediment will be screened through ¼-inch mesh. Sediment observed in each shovel probe will be documented on standard HRA shovel probe forms. Observations include but are not limited to: sediment grain size, presence of gravels, evidence of disturbance, and presence of cultural materials. Cultural materials found in each shovel probe will be photographed using a digital camera. Shovel probes will be filled upon completion of documentation and their location will be noted using a Global Position System (GPS) instrument.

2. Update Second Addendum to Cultural Resources Technical Report:

a) HRA will update the existing draft of the second addendum to the previous Cultural Resources Technical Report summarizing the Project and findings. This report will be prepared to meet Washington State Department of Archaeology & Historic Preservation (DAHP) guidelines. A draft of the report will be submitted for comment in electronic format (Adobe pdf). HRA will make any necessary revisions to the Draft report in response to comments. Once finalized, HRA will submit an electronic Final Draft Report for submittal to the appropriate agency and DAHP. By state law, archaeological site location information must be redacted from reports provided to members of the public (i.e., anyone not meeting the Secretary of the Interior’s definition of a Professional Archaeologist).

b) HRA will prepare two drafts and one final second addendum report that will include:

   i. A description of the project and applicable laws and regulations;
   ii. A summary of the results of the background literature and records research;
   iii. The methods used during the fieldwork and the results;
   iv. A description of any cultural resources found;
   v. A summary assessment of potential effects to any identified resources based on our knowledge of the resource type, soil conditions, and extent to which the proposed project may affect the resource;
   vi. Recommendations for completion of any additional cultural resources compliance obligations stemming from the results of our study;
vii. A summary of project procedures that should be followed in the event of an unanticipated discovery of buried cultural materials or human remains during construction; and

viii. References cited.

c) The report will include such tables, maps, photographs, and other graphics as are needed to depict the scope of the study and results. Forms for any recorded resources will be included as appendices to the report.

3. Archaeological Site Form Update for 45SK244:

   a) The service road – northern extension (aka. Centennial Trail construction) will impact a segment of abandoned railroad alignment. Other sections of this railroad alignment have been recorded as archaeological site 45SK244. HRA will evaluate the eligibility of the railroad segment for listing in the National Register of Historic Places and will prepare an archaeological site form update to include the segment of the railroad alignment in the vicinity of the proposed service road.

4. Archaeological Site Form Update for 45SK306:

   a) There is potential that an unrecorded segment of an abandoned railroad alignment (archaeological site 45SK306) will be identified during the archaeological survey for the newly proposed access and laydown areas. In the event that a new section of this archaeological site is identified, HRA archaeologists will document that section. Furthermore, HRA will evaluate the eligibility of the new segment for listing in the National Register of Historic Places and will prepare an archaeological site form update to include the segment within the newly proposed access and laydown areas.

District Responsibilities

1. Conduct Archaeological Inventory:

   a) The District will obtain rights of entry to access properties within the proposed APE, including for the purpose of subsurface probes.

2. Update Addendum to Cultural Resources Technical Report:

   a) Provide timely review of the draft report and forward the final report to the USACE.

Assumptions

1. There is agreement on the Project’s APE, which establishes what area needs to be researched in order to determine what impacts to important cultural resources may occur. The USACE (the Lead Federal Agency), DAHP, and interested Native American tribes, (Upper Skagit, Salish, Swinomish, Stillaguamish, and Tulalip Tribes) have been consulted as part of the USACE 404 Process.

2. Conduct Archeological Inventory:

   a) The APE will be defined and approved by DAHP and the USACE prior to the commencement of field work. If the APE changes, HRA’s scope of work will be revised to accommodate the change.

   b) HDR will provide maps (GIS shapefiles are preferred) of the project area and design plans of the proposed access and laydown areas and service road to HRA in a format that can be adapted for use in its report.
c) No private utilities are located within the additional survey areas. No private utility locators will need to be subcontracted.

d) HRA will not need to meet the public utility locate surveyors in the field.

e) No more than 50 shovel probes will be required to adequately sample the remaining portions of the proposed APE.

f) Pedestrian survey, but no shovel probes, will be required on existing impervious surfaces (abandoned railroad grade, private driveways) and the previously disturbed easement for the existing water transmission pipeline.

g) Archaeological survey will not be conducted through areas of standing water.

h) No shovel probes will be excavated on steep slopes.

i) Additional segments of two previously recorded railroad alignments (45SK244 and 45SK306) may be encountered during the survey. If so, new site form updates will be prepared to accompany the second addendum report, as appropriate. No additional site form updates for previously documented archaeological resources will be necessary.

j) No new archaeological sites or isolated finds will be found and recorded during this inventory.

k) HRA will not inventory Traditional Cultural Properties or Sacred Sites in the project area, however HRA welcomes tribal observers during our fieldwork and will make note of any observations they may make regarding the presence of such resources.

l) Conversion of the abandoned railroad grade to an access road/ Centennial Trail will not directly or indirectly affect any historic-period buildings or structures in the vicinity. As a result, no architectural features will be inventoried or evaluated.

m) If work continues after December 31, 2019, the remaining budget will be revised to reflect HRA’s annual change in rates.

3. Update Second Addendum to Cultural Resources Technical Report:

a) The context sections of the initial inventory report still apply and will be referenced in the second addendum technical report.

b) HRA will make minimal revisions to finalize the document based on agency comments.

c) Teleconferences with the Lead Federal Agency, the District, or DAHP will not exceed one hour over the term of the project.

d) Reporting will not include preparation of National Environmental Protection Act (NEPA) or State Environmental Protection Act (SEPA) documentation.

e) Reporting will not include preparation of agreement documents (e.g., Memoranda of Agreement).

f) Up to two drafts and one final second addendum report will be prepared.

g) The USACE will not require a separate report that addresses only the areas under their jurisdiction.

h) If work continues beyond December 31, 2019, the remaining budget will be revised to reflect HRA’s annual change in rates.
Deliverables

1. Conduct Archeological Inventory:
   a) A brief memo/e-mail stating the findings of the archaeological survey.

2. Update Second Addendum to Cultural Resources Technical Report:
   a) Two drafts and one final second addendum to the technical report.

3. Archaeological Site Form Update for 45SK244:
   a) HRA’s recommendations regarding the eligibility of the site for listing in the NRHP will be included in the text of the Second Addendum Report.
   b) Two drafts (as appendices to the second addendum report drafts) and one final archaeological site form update (uploaded to DAHP’s online database).

4. Archaeological Site Form Update for 45SK306:
   a) If a new segment of the site is identified, HRA’s recommendations regarding the eligibility of the site for listing in the NRHP will be included in the text of the Second Addendum Report.
   b) Two drafts (as appendices to the second addendum report drafts) and one final archaeological site form update (uploaded to DAHP’s online database), if the site is identified during fieldwork.

Task 280 – Management & Administration during Final Design (HDR)

This task has been modified to extend the Period of Performance based on impact to schedule associated with change to the design and revised permit applications to incorporate the changes contained within Modification No.5. The Period of Performance is extended by 3 months. The current budget for Task 280 will cover project management costs for this extension to the schedule.

Task 285 – Meetings during Final Design (HDR)

This task has been modified by this Modification No. 5 to extend the Period of Performance based on impact to schedule associated with the changes included in Modification 5 by 3 months. The current budget for Task 285 will cover additional meetings during this extension to the schedule.
Schedule

Complete the services in accordance with the schedule below. Following are some of the key deliverable milestones anticipated for this project and approximate time frames.

Assumptions

- As a result of significant changes to the project and additional scope of services, the critical path schedule has been impacted by approximately 3 months. HDR intends to complete the services as quickly as possible, but additional time will be needed.
- The scope involves significant amendments to permits that have already been submitted. HDR will place a high priority on submitting amendments for these permits; however, review and issuance of these permits by governmental agencies is outside HDR control and may take more or less time than estimated.

Key Milestones

- Approval of Final Design Task Order: November 2018 (Completed)
- 60-percent Design: April 2019 (Completed)
- 90-percent Design: October 2019 (Completed)
- 100-percent Design: January 2020
- Bid-Ready Set: February 2020
- Advertise: February 2020
- Bid Opening: March 2020
- Construction NTP: April 2020

Engineering Fee Estimate

Following are the estimated engineering services fees for the activities provided in this scope of services. The fee for scope of services in Modifications No. 5 will be based on a time-and-materials basis with a not-to-exceed amount of Three Hundred Ninety One Thousand Two Hundred Eighty Dollars, ($391,280.00).

The estimate is broken down by task as follows:
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<th>Task #</th>
<th>Task Description</th>
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<th>Total Expenses</th>
<th>Total Subconsultants</th>
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Public Utility District No. 1 of Skagit County

Judy Reservoir to Mount Vernon Transmission Pipeline – Phase 2

Task Order No. 16
Modification No. 6
Attachment 1

Final Design and Permit Acquisition
(Supplemental Geotechnical Explorations)

Scope of Services
December 3, 2019

929 108th Avenue NE
Suite 1300
Bellevue, WA 98004-5549
(425) 450-6200
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- Scope of Services ................................................................................................................... 4
  - Task 203 – Geotechnical Design Review and Groundwater Monitoring ............................... 4
- Schedule.................................................................................................................................. 7
- Engineering Fee Estimate ....................................................................................................... 7
SCOPE OF SERVICES

Background Information
The District and HDR have reviewed the project at the 90% design level with regard to adequacy of existing geotechnical data and risk management. It has been determined the project would benefit from additional explorations in specific areas to provide better information for the contractor, reduce risk and refine the design as follows:

- **Rock Coring at Williams Pipeline Crossing**
  - Define typical characteristics of hard rock for potential rock excavation in this area along the pipe alignment on the hill.
  - Provides additional definition of depth to solid bedrock in vicinity of gas lines.
  - Provides additional definition of zone of weathered rock by gas lines and what can be readily excavated.
  - Supports assessment of feasibility to excavate rock in general and assess risks.
  - Supports option of boring under pipelines to significantly lower risk of damage to pipelines.

- **Piezometer Installation and Slug Tests in High Ground Water Areas**
  - Provides better representative soil sampling along alignment to be dewatered.
  - Provides in place measure of hydraulic conductivity rather than interpretation of soil type.
  - Provides better baseline information for preparation of bids.
  - Provides more data for defending claims.

- **Cone Penetration Tests in Liquefaction Zones**
  - Confirm the depth and thickness of liquefiable soil layer and depth to bearing layer.
  - Will better inform the horizontal extent of liquefiable soils which could reduce the length of more expensive earthquake resistant pipe system.
  - Allows refined estimate of settlement and differential settlement which could reduce the cost of the earthquake resistant pipe system or may allow a steel system.

- **Additional Test Pits**
  - Additional data points in to better define ground water effect on trenching west of the HDD exit point where groundwater conditions are unknown.
  - Additional data points to better define ground water effect on trenching in small wetland near stream A.
  - Additional data points in upper section to better define depth to rock and rock excavation quantity.

Modification No. 6 to the Original Agreement for Professional Services for Task Order No. 016 includes revisions to the following tasks/subtasks:

- **Task 203 Geotechnical Design Review and Ground Water Monitoring – Additional subtask has been included to better define subsurface conditions:**
  - Subtask 203.5 – Supplemental Geotechnical Explorations
Scope of Services

The Scope of Services and deliverables for Modification No. 6 to Task Order No. 016 are provided below.

Task 203 – Geotechnical Design Review and Groundwater Monitoring

Objective:
This task covers additional geotechnical exploration, evaluation and analysis. The purpose of this task is to provide additional data to inform geotechnical recommendations for selected reaches along the alignment.

Consultant Services:
The specific scope of services will include the following subtasks.

Subtask 203.5 Supplemental Geotechnical Explorations

Lead: GeoEngineers

This subtask item includes field explorations at specific locations where more data is beneficial to refining design, reducing risk and reducing cost. A laboratory soil testing program will be performed on selected samples to provide necessary characterization of soil, groundwater and bedrock conditions.

Subtask 203.5.1 Additional Geotechnical Explorations

The specific scope of services will include the following.

1. Develop an exploration plan to be submitted to Owner for approval. The exploration plan will include information required to obtain access and critical areas permit approvals from Skagit County. Location of explorations will be provided to the surveyor to be staked in the field prior to the start of explorations.

2. Confirm exploration locations have been identified in the field, coordinate utility clearance and call the state "One-Call" contractor number to clear utility locations prior to the explorations. We have not included the cost of a private utility locate in our fee estimate at this time, but could subcontract this service at an additional fee if there are concerns of unknown/ unidentified utilities at any of the exploration locations.

3. Explore soil and groundwater conditions along the proposed route by drilling approximately 4 borings and 2 rock cores to between 15 and 25 feet below grade totaling approximately 120 feet of drilling. It is assumed that all boring locations will be accessible by truck-mounted or track-mounted drill equipment. It is assumed that one-inch diameter piezometers will be installed at up to 4 of the borings. Piezometers will be installed with flush mount monuments. We have assumed up to 3 days to complete the drilled explorations.

4. Explore soil and groundwater conditions along the proposed route by excavating back hoe/track hoe pits at approximately 6 selected locations 6 to 12 feet below grade or until practical digging refusal is encountered. It is assumed that all pit locations will be accessible by rubber-tired or steel-tracked equipment. Pits to be backfilled and ground surface to be restored at all locations to the extent feasible with available site equipment and materials. We have assumed 2 days to complete the test pit explorations.
5. Explore soil and groundwater conditions along the proposed route by advancing 4 cone penetration tests (CPTs) to approximately 60 feet below grade or until practical penetration refusal is encountered, totaling approximately 240 feet of drilling. It is assumed that all CPT locations will be accessible by track-mounted drill equipment. We have assumed up to 2 days to complete the CPT explorations.

6. The actual location of the explorations will vary depending on access and site constraints, including existing landscape. The exploration locations will be marked in advance of the scheduled fieldwork by surveyor. The explorations will be monitored on a full time basis by a geotechnical engineer or geologist, who will obtain representative samples at about 2½- to 5-foot intervals in the borings, classify the soils encountered, record groundwater conditions (if observed), and prepare a detailed log of each exploration.

7. The exploration program includes costs for one day of subcontracted traffic control services if necessary.

8. The borings will be backfilled in accordance with Washington State Department of Ecology requirements. Borings in roadways will be capped using concrete patch and/or steel flush-mount monument, or in accordance with applicable permit requirements. Upon completion of the site exploration program, samples of soil encountered will be returned to the laboratory for further evaluation and selection of representative samples for testing. Results of the exploration and testing programs in conjunction with engineering analyses will form the basis for recommendations commensurate with the scope of services described above.

Subtask 203.5.2 Groundwater Slug Testing and Monitoring

1. Complete in-situ slug tests at 5 piezometer locations in Segment 5 of the proposed route. This testing will be completed to provide an estimate of hydraulic conductivity for dewatering that is anticipated for this segment of the proposed route. We have assumed up to 2 days to complete the slug testing field work.

2. Complete monitoring of the piezometers (new and existing) in December 2019 and January 2020 (two visits) assuming one full day for each visit to access all the new wells and available/accessible existing wells from previous phase of explorations along the alignment, and compile the data into a spreadsheet.

Subtask 203.5.3 Laboratory Testing

1. The soil samples will be reviewed in the laboratory by a qualified geologist to confirm the soil description and classification performed in the field and to provide another level of quality assurance of the boring logs and cross-sections.

2. Laboratory testing will be performed on selected soil samples taken during borings and from test pits to determine pertinent physical and engineering characteristics of the soil properties. The testing program will consist of approximately 10 gradation analyses, 8 percent fines content tests and 15 moisture content determinations.

3. Laboratory testing will be performed on selected rock core samples taken from rock coring to determine pertinent physical and engineering characteristics of the sampled rock. The testing program will consist of 2 unconfined compressive strength tests.

Subtask 203.5.4 Technical Analysis

1. Update evaluation of geologic and hydrogeologic conditions based on information acquired through the subsurface conditions evaluation, in-situ slug testing, and laboratory testing relative to the planned pipeline construction.
2. Update evaluation and provide recommendations for dewatering based on subsurface conditions encountered during the geotechnical explorations and in-situ slug testing, where the trenches are anticipated to be below groundwater.

3. Update comments on any anticipated construction difficulties identified from the results site studies.

4. Provide evaluation of bedrock characteristics and feasibility to excavate

**Subtask 203.5.5 Prepare Geotechnical Report Updates**

1. The Geotechnical Data Report will contain the results of soils exploration and laboratory testing including a site plan with location of the explorations relative to the pipeline alignment, boring logs, and plots of the laboratory data.

2. The Geotechnical Design Report will include the results of our technical analysis described above, with conclusions and recommendations together with a separate appendix containing supporting field and laboratory information for incorporation into project design. We have assumed that the report will incorporate logs of previous exploration completed for the pipeline alignment.

**District Responsibilities:**

1. Review draft technical reports and provide comments to be incorporated in the final versions.

**Assumptions:**

1. The scope of services does not include specific environmental drilling.

2. Costs for chemical analysis of contaminated soil samples are not included in this scope of services.

3. Reporting of new data will consist of revising the previous reports.

4. Landscaping to re-vegetate or specifically repair work areas is not included; thus, evidence of ground disturbance will probably remain in landscape areas following the work. Heavily vegetated areas are to be avoided if at all possible.

5. Consultant to obtain all Right-of-way Use permits required by the applicable City or County jurisdiction for drilling.

6. Excavation and drilling to be by subcontractors under contract to GeoEngineers Inc.

7. All exploration tasks selected would be completed in the same 45-day timeframe

8. SCPUD will coordinate access onto private property

9. For drilled borings, all drill cuttings can be left onsite.

**Deliverables:**

1. Geotechnical Data Report for Cut and Cover Update; (Draft and Final).

2. Geotechnical Design Recommendation Report for Cut and Cover Update; (Draft and Final).
**Schedule**

Complete the services in accordance with the schedule below. Following are some of the key deliverable milestones anticipated for this project and approximate time frames.

**Assumptions**

- As a result of significant changes to the project and additional scope of services, the critical path schedule has been impacted by approximately 3 months. HDR intends to complete the services as quickly as possible, but additional time will be needed.

**Key Milestones**

- Execution of Modification 6…………………………………….……..December 12, 2019
- Complete Field Explorations………………………….………………December 31, 2019
- Complete In-situ Groundwater Testing and Monitoring……………..January 15, 2020
- Draft Geotechnical Data Report Update……………………….. January 21, 2020
- Draft Geotechnical Design Report Update………………….………….January 21, 2020
- Final Geotechnical Data Report Update …………………1 Week after receipt of comments
- Final Geotechnical Design Report Update …………1 Week after receipt of comments

**Engineering Fee Estimate**

Following are the estimated engineering services fees for the activities provided in this scope of services. The fee for scope of services in Modifications No. 6 will be based on a time-and-materials basis with a not-to-exceed amount of Eighty Two Thousand Three Hundred Sixty-Eight Dollars, ($ 82,368.00).

The estimate is broken down by task as follows:

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<th>Task #</th>
<th>Task Description</th>
<th>Total Labor</th>
<th>Total Expenses</th>
<th>Total Subconsultants</th>
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</tbody>
</table>
December 10, 2019

TO: George Sidhu, P.E., General Manager

FROM: Jay Sedivy, C.S.P., Safety/Risk Coordinator

SUBJECT: Letter of Intent to Skagit County Department of Emergency Management

Requested Action:
Authorize the General Manager to sign and send a letter to Skagit County Department of Emergency Management to signal the District’s intent to fully participate in Skagit County’s emergency planning efforts.

Background:
The District operates a critical utility within Skagit County and we will be integral in the recovery of this area after a natural disaster. Participating in Skagit County’s Hazard Mitigation Plan allows the District to coordinate with other local partners to ensure that we are included in the planning, education, mitigation and recovery after an emergency. This letter signals our intent to be involved in the Hazard Mitigation Plan and to commit resources to participate effectively.

42 USC 5165, Section 322 requires municipalities and jurisdictions to develop hazard mitigation plans through state planning entities to Federal Emergency Management Agency (FEMA) in order to be considered for grants and other assistance related to hazard mitigation activities. RCW 38.52.070 directs all local political subdivisions and municipalities in the State of Washington to establish and support a local organization for emergency management. In late summer this year, we verbally signaled the District’s intent to formalize a relationship with Skagit County DEM. In recent months, the District has been involved in formalized emergency planning activities, including adding us as a planning and preparedness partner to the County’s All Hazards Mitigation Plan.

One of the potential benefits to becoming part of the Hazard Mitigation Plan includes opportunities for state and federal emergency management grant funds for equipment or projects that will increase the resiliency of our water system.

Fiscal Impact
The District will incur no fees or costs from this activity.
December 10, 2019

Skagit County Department of Emergency Management
Attn: Hans Kahl, Interim Director
2911 E. College Way, Suite B
Mount Vernon, WA 98273

Dear Mr. Kahl,

Please be advised that Public Utility District No. 1 of Skagit County is committed to participating in the update to the Skagit County Hazard Mitigation Plan. As the General Manager for this jurisdiction, I certify that we will commit all necessary resources in order to meet partnership expectations as outlined in the “Planning Partners expectations” document provided by the planning team, in order to obtain Disaster Mitigation Act (DMA) compliance for our jurisdiction.

Jay Sedivy, Safety and Risk Coordinator, will be our point of contact for this process and can be reached at (360) 848-4475 or sedivy@skagitpud.org. We understand that this designated point of contact’s time will be applied to the “in-kind” local match for the grant that is funding this effort. To aid in the determination of this local match, we have determined that the hourly rate for our point of contact is $44.27 per hour. The funding source for our point of contact’s position within our jurisdiction is not through federal funds.

Sincerely

George Sidhu, P. E.
General Manager

Cc: Beverly O’Dea, Contractor, Bridgeview Consulting,
Agenda Item #18

PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY
1415 FREEWAY DRIVE · MOUNT VERNON, WASHINGTON 98273 · PHONE 360-424-7104

November 6, 2019

TO: George Sidhu, P.E., General Manager
FROM: Jay Sedivy, C.S.P., Safety/Risk Coordinator
SUBJECT: Review of District Safety Practice & Procedure #3007

Requested Action:
No action required.

Background:
District Policy #1026 Safety Requirements and Commitment to Safety was revised at the Board meeting on January 22, 2019, and it outlines the creation of Safety Practice and Procedures (SP&P) to better outline and administer the District’s overall safety program.

SP&P No. 3007 was created to ensure compliance with Washington Administrative Code (WAC) 296-155-305 and the Manual on Uniform Traffic Control Devices (MUTCD), Part 6. Since traffic control and roadside work hazard awareness affects many at Skagit PUD, the Safety Committee decided to address our practices in this area. The goal of this SP&P is to minimize or eliminate occupational exposures to roadside workplace hazards. The secondary goal of this SP&P is to set guidelines and expectations for those who work on and near the public right-of-way.

The attached SP&P is presented for Commission review and comment.

Fiscal Impact
Updating 5 vehicles in 2019 and early 2020 with high intensity strobes and safety director (lighted arrow arrays) fixtures to give our employees more lighting setup options in more situations. Each upfit is roughly $1000.00 and another $400.00 in labor. Beginning in late 2020 and FY 2021, the plan is to uniformly order these lighting packages already equipped on vehicles as they are purchased. The maintenance department and several field employees will likely need small amounts of new traffic control signage and some limited training on protecting themselves in the right-of-way. Those costs should be minimal and are already accounted for in the 2020 safety training budget going forward.
Discussion
Between 2007 and 2017 there were 1,313 American workers killed in roadside work zones, with most of those fatalities caused by moving vehicles and heavy equipment (2019, American Road & Transportation Builders Association). In 2017, over 37,000 workers were injured in roadside accidents – a 68% increase over the first year the statistic began being tracked in 2007. Several studies suggest that increasing motorist inattention and urban densification have contributed to the marked increases in total injuries at these types of work areas. The District recognizes the hazards of working in and near roads as a clear and present danger to its employees.

Purpose
This Safety Practice and Procedure (SP&P) ensures compliance with WAC 296-155-305 and Part 6 of the Manual on Uniform Traffic Control Devices (MUTCD) in its current state-adopted form. This policy helps District employees and supervisors formulate consistent plans that comply with regulation, keep all road users safe, and reduce conflicts between District operations and road users to the greatest reasonable extent possible. To that end, this SP&P attempts to limit the number of District personnel on the active roadway at every phase of the work being done in an effort to reduce exposure to motorized traffic.

Scope
The information provided in this SP&P does not address all possible work zone operations. Modifications to the plans to fit specific work operations and locations are encouraged. If these requirements cannot be physically implemented, then MUTCD standards shall apply as the minimum. The traffic control plans in this manual are to be used along with sound judgment, proper planning, a safety conscious attitude and full participation from the persons involved in the work zone. Aspects of the roadway environment such as weather, time of day, traffic volumes, traffic speed, roadway geometry, roadside conditions, and your inventory of traffic control devices should all be considered when implementing the practices in this SP&P.

This SP&P addresses work that occupies a location more than one daylight period up to 3 days, or nighttime work lasting more than 1 hour; and all durations of a shorter period.

This SP&P addresses the minimal expectations for District personnel performing maintenance, operations, and engineering work in the public right of way and in other areas where motorists not under the control of the District may be near their work.

This SP&P does not adequately address the methods of working in roadways for contractors who may be performing construction and other work for the District. Contractors must address and follow the appropriate WAC and MUTCD guidance at a level appropriate to the scope of their
operations. This SP&P does not address long term stationary work that continues through more than 3 daylight periods consecutively; or longer durations; nor does it address working at night for periods longer than 1 hour.

**Affected Policies and Applicable Regulations**

WAC 196-155-305 addresses flagger use, flagger safety, and limited scenarios for traffic control devices. The Manual on Uniform Traffic Control Devices (MUTCD), 2009 edition, Part VI is adopted by L&I and is the major regulation governing traffic control and right of way safety.

Skagit PUD Policy No. 1026, District Safety Requirements and Commitment to Safety clearly defines the responsibilities of District employees to adhere to Washington Administrative Codes (WAC), and other regulations that address worker safety and health at District work sites.

Skagit PUD AP&P No. 3001, Personal Protective Equipment addresses personal protective equipment (PPE) required for work at sites in and around roads and other rights of way.

Skagit PUD AP&P No. 2034, Signaling and Flagging is superseded and cancelled.

**Safety Practice and Procedure**

The District shall provide all means possible to keep its employees safe from the hazards of working in and around roads and rights of way in its area of operation. Employees must adhere to the following policy.

Key concepts:
- A job hazard analysis (JHA) must be performed to determine hazards; and the methods needed to mitigate or eliminate those hazards before work begins – even if the work is emergent in nature or short in duration
- Efforts must be made to plan for traffic control and take steps to deploy the best possible solutions to protect District employees and the public before work begins
- Work duration, traffic volume, and the conditions of the road are major factors that determine traffic control and safety setups – care must be taken to adopt the protective measure that offers the best protection possible
- Flaggers are a good way to help supplement required signage and other devices, but are not to replace such controls

**Hazard analysis**

Most District employees will perform work in and near roads or a right of way in the course of their duties. Below are the positions and relative levels of exposure to the hazards of roadside work.

<table>
<thead>
<tr>
<th>Position</th>
<th>Level of Exposure</th>
<th>Position</th>
<th>Level of Exposure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maintenance Crew</td>
<td>High</td>
<td>Surveyors</td>
<td>High</td>
</tr>
<tr>
<td>Locators</td>
<td>High</td>
<td>On Call Personnel</td>
<td>High/Moderate</td>
</tr>
<tr>
<td>Distribution Techs</td>
<td>Moderate</td>
<td>Water Quality Techs</td>
<td>Moderate</td>
</tr>
<tr>
<td>Meter Techs</td>
<td>Moderate</td>
<td>Safety Coordinator</td>
<td>Moderate</td>
</tr>
<tr>
<td>Engineering Inspectors</td>
<td>Moderate</td>
<td>Other Support</td>
<td>Low</td>
</tr>
<tr>
<td>Engineering/GIS Techs</td>
<td>Low</td>
<td>Administrative</td>
<td>Negligible</td>
</tr>
</tbody>
</table>
**Work Duration**

For most District work, the duration will be the overarching factor that determines the steps used to protect employees and the public. MUTCD defines five categories of work duration:

1. **Long-term stationary** is work that occupies a location more than 3 days
2. **Intermediate-term stationary** is work that occupies a location more than one daylight period up to 3 days, or nighttime work lasting more than 1 hour
3. **Short-term stationary** is daytime work that occupies a location for more than 1 hour within a single daylight period
4. **Short duration** is work that occupies a location up to 1 hour, regardless of time of day or night. Examples include:
   - Loading and unloading equipment
   - Emergency shutdown of a simple residential service leak
   - Small asphalt patching jobs
   - Opening and accessing an in-road vault access to adjust a device or take a reading
5. **Mobile or Very short duration** is work that moves intermittently or continuously and takes no more than 20 minutes at any one place. Examples include:
   - Taking a quick survey shot
   - Installing or removing a work zone device
   - Removing objects from a roadway
   - Opening an in-road manhole lid to visually inspect vault contents without entry
   - Quickly exercising and performing simple and routine valve maintenance as part of a valving maintenance program

It is expected that District personnel will perform more short-term stationary or short duration work than any other defined duration of work category.

The guidance in this SP&P will focus on short-term stationary and short-duration work.

**Traffic Volume**

Traffic volume has a considerable impact on work zone traffic control considerations alongside the duration of the work and the prevailing speed limit in the area. Typically, traffic volume is expressed by the words *low*, *moderate* and *high*.

1. **Low volume** is a condition that includes:
   - Roughly less than 5 vehicles per lane per minute
   - Vehicles approaching the work area randomly
   - Significant gaps in traffic flow
   - Few vehicles visible at any given time
   - Random groupings of vehicles
   - Freely flowing traffic at the posted speed limit
   - Safe crossing conditions at a walking pace
2. **Moderate volume** is a condition that includes:
   - Roughly 12 vehicles per lane per minute
   - Vehicles generally always present
   - Random gaps between vehicles
   - Constant but freely flowing traffic
• Safe crossing conditions at a walking pace, but require waiting for a gap in traffic

3. **High volume** is a condition that includes:
   • Roughly 20 vehicles per lane per minute
   • Constant presence of vehicles
   • Restricted or unstable traffic flow
   • Reduced speeds as volume approaches the road’s capacity
   • Not safe to cross without a controlled intersection and/or crosswalk

**Work Zone Setups**
The following section is intended to assist District employees with conforming to WAC and MUTCD regulations regarding the setup of traffic control devices. It is important to consider the duration of the work, the speed limit of the road, and the volume of traffic in the area when deciding which setup is most appropriate. Employees should always err on the side of a more robust setup when duration and the conditions of the roadway are not certain or if they may change with little or no notice. For example, a daytime job on a non-arterial street that should take less than an hour (short duration) may need to be set up as a short-term stationary site if factors could change.

The traffic control diagrams in this SP&P are included as an appendix. These diagrams are illustrative and are for ideal conditions. The limited number of diagrams can never represent all the possible scenarios present in roadside work. Employees and supervisors are responsible for using proper judgement to decide what the most appropriate setup is for the situation and field conditions at their work site.

**Delineation Devices**
- All delineation devices used by the District will be made of materials that will not easily damage vehicles or add to injuries in cases of an accident
- Ballast used to keep devices in place shall be the minimum needed to withstand forces such as wind and can either be minimal amounts of water (first choice) or sand/dirt (second choice)
- All devices used at night shall be augmented by using lighting devices
- Traffic cones used during the day must be orange and a minimum 18 inches tall
- Traffic cones used at night or on a highway at any time must be orange, a minimum of 28 inches tall, and possess a 6-inch strip of retroreflective tape no more than 4 inches below the top of the cone
- Traffic cones must be used to channelize traffic, divide opposing lanes, divide lanes, and delineate short duration and utility maintenance work
- Tubular markers (candlepins) may be used to substitute for, or augment traffic cones
- Tubular markers must be predominately orange, between 28 and 42 inches tall, and have at least two 3-inch bands of retroreflective material
- Plastic drums (road barrels) may be used to substitute for, or augment traffic cones and/or tubular markers
- Plastic drums must be predominately orange, between 36 and 48 inches tall, no less than 18 inches wide, and have a minimum of two 4-inch strips of retroreflective material
Delineation devices used for merging tapers in road work zones must have a length appropriate to the speed zone and lane width of the road. Generally, the wider the lane is and/or the higher the speed limit – the more delineation devices will be needed and the longer the merging taper needs to be. The table below shows the MUTCD minimums for merging taper lengths and delineation patterns for a road with typical 12-foot lanes. This may be used in most situations.

<table>
<thead>
<tr>
<th>MPH</th>
<th>10</th>
<th>15</th>
<th>20</th>
<th>25</th>
<th>30</th>
<th>35</th>
<th>40</th>
<th>45</th>
<th>50</th>
<th>55</th>
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<tbody>
<tr>
<td>Taper Length (feet)</td>
<td>20</td>
<td>45</td>
<td>80</td>
<td>125</td>
<td>180</td>
<td>245</td>
<td>320</td>
<td>540</td>
<td>600</td>
<td>660</td>
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</table>

**Barricades**
- Type 2 and 3 barricades shall be used across roadways to restrict traffic or close the road to all traffic, as needed and shall comply with MUTCD
- For closing a road to traffic, a minimum of a Type 3 barricade and appropriate signage shall be used
- For closing a sidewalk to pedestrian traffic, a minimum of a Type 2 barricade and appropriate signage shall be used

**Traffic Barriers**
District employees should rarely need traffic barriers such as plastic Jersey barriers. If they are needed, they may be used to help separate traffic from work zones and excavations. If temporary traffic barriers are to be used, they must comply with MUTCD Sections 6F.70 and 6F.71, as appropriate. In many cases, District vehicles (with appropriate lighting arrangements), and delineation devices are adequate to substitute traffic barriers at most District roadside work sites.

**Signage**
Typically, a three-sign sequence is required for all flagging on roadways with a posted speed limit of less than 45 MPH. A four-sign sequence is required for all jobs requiring flagging and/or on roadways with a posted speed limit of 45 MPH or higher. It is important to remember that if flaggers are used and a sign needs to be posted, motorists need additional notice and time to digest this information as they approach the work area.

Spacing between signs should be determined first by the posted speed limit in the area. If traffic volumes are particularly high, or other factors may challenge a motorist’s ability to digest signage information, employees should add distance between signs when possible. In general, the following table of MUTCD distances apply and can be used in most situations.

<table>
<thead>
<tr>
<th>Posted Speed Conditions</th>
<th>1st sign</th>
<th>2nd sign</th>
<th>3rd sign</th>
<th>4th sign (if used)</th>
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<td>&lt;45 MPH</td>
<td>100</td>
<td>100</td>
<td>100</td>
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<tr>
<td>Urban</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Rural</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low-Moderate Traffic Volumes</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>
• >45 MPH
• Urban
• Residential
• Moderate-High Traffic Volumes

<table>
<thead>
<tr>
<th></th>
<th>350</th>
<th>350</th>
<th>350</th>
<th>350</th>
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</table>

The following signs are appropriate in most of the work the District does:
- Utility Work Ahead; is interchangeable with Workers Ahead
- Workers Ahead – or a worker symbol sign; is interchangeable with Utility Work Ahead
- Shoulder Work – is interchangeable with Utility Work Ahead or Workers Ahead if the work involves the road shoulder
- Surveyors Ahead; is appropriate only for surveying and locating work
- Flagger Ahead; is appropriate only for flagging operations and should be accompanied by a Be Prepared to Stop sign

**PUD Vehicles in Roadway/Roadside Work Areas**
All PUD vehicles that will be present in a roadside work area, near the right-of-way, or otherwise be present where traffic hazards exist shall be equipped with lighting arrangements.

Stock vehicle hazard lights (flashers) can be used to augment high intensity strobe lights, but may never be used alone to try and protect employees in roadway or roadside work areas.

Protective vehicles can be used to help protect workers in short-term stationary, short-duration, and very short duration work scenarios. Such vehicles must use a high intensity strobe light and be strategically placed in advance of a work area. The vehicle must have a proper roll-ahead distance factored into its placement in case the vehicle is impacted by an errant vehicle – with the prevailing speed of traffic being the main consideration in deciding roll-ahead distance.

Protective vehicles used in very short duration (20 minutes or less) must provide advanced warning to motorists. Such vehicles must use a high intensity strobe light and either a portable message sign or arrow board to provide temporary traffic control information to motorists.

**Personal Protective Equipment**
District personnel are required to wear and use PPE that protects them at work sites that are in and near roadways. For specific guidance and policy, refer to District Safety Practice and Procedure # 3001, Personal Protective Equipment.

**Flaggers**
The District shall, when appropriate, use flaggers to augment other traffic controls at the work site. Situations where flaggers add value to traffic control include:
- Complex traffic control setups where motorists may need help navigating safely
- When a lane is closed and motorists cannot safely self-regulate the use of the remaining roadway for travel
- Roadways that present hazards to employees where flaggers may provide a dedicated spotter
- Any in-road work where employees might have their backs turned to oncoming traffic
Flaggers shall not be used to substitute for required traffic controls such as delineators and signage.

Flaggers may not perform any other duties other than flagging and must remain on station until work ceases and signs and devices are removed from the roadway, and normal traffic is restored.

Supervisors may choose to utilize flagging and traffic control services from a vendor, or they may utilize qualified District personnel for flagging duties.

Flaggers must be currently certified and carry their certification card on their person while performing flagging duties.

Flaggers shall not perform flagging duties in a light-controlled intersection. If flagging control of such an intersection is needed, the traffic engineers for the jurisdiction shall be contacted for assistance in coordinating traffic through such an area.

WAC 468-95-302 prohibits flaggers from being placed at the center of an intersection for traffic control purposes unless that person is a uniformed police officer.

Flagger paddles used by District personnel shall be 24 inches in both daytime and during hours of darkness.

During hours of darkness, flagger stations shall be illuminated so that the flagger is visible and discernable as a flagger from a distance of 1,000 feet whenever possible.

**Training and Certifications**

The District shall train appropriate personnel for flagging duties and will be responsible for maintaining the certification as operational needs dictate.

Supervisors and site leads are responsible for informing those working at and visiting sites under their control of the roadside hazards that may exist and ensuring compliance with all applicable safety and health policies. Such training shall be documented on the appropriate job hazard analysis (JHA) form.

**Road Closures, Detours and Public Information**

Road closures and detours are not usually needed in District operations. However, when closures and detours are needed RCW 47.48.010 requires approval from the appropriate jurisdiction having control of the roadway. Supervisors are responsible for obtaining permission for road closures prior to closing a road, even if local traffic is allowed to pass.

Accurate and timely reporting of work zone information to the public is an important element in temporary traffic control – especially regarding closures. Advance notice of non-emergent closures and restrictions is required. Web page information and the use of media can greatly improve the public’s understanding and acceptance of the necessary impacts caused by the work operation.

Special considerations and individualized notification may be needed in some situations. Examples include:
• Emergency services coordination (911 call centers, individual emergency departments) so they are aware of the operation and can make adjustments to routes if necessary when coordinating and responding to emergencies.
• Transit organizations and school transportation departments require adjustments to bus stop locations within project limits.
• Schools, hospitals and other critical access facilities may require special considerations to maintain access to their sites.

**Recordkeeping**
Training records shall be maintained for all District employees for the duration of their employment, or for at least three years – whichever period is longer. Training records are not considered protected information and shall be kept in paper format in the employee record, or in electronic format in the District’s shared computer drives.

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<tbody>
<tr>
<td>Effective Date:</td>
<td>December 10, 2019</td>
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<tr>
<td>Revision Date:</td>
<td></td>
</tr>
<tr>
<td>General Manager Signature:</td>
<td>Date:</td>
</tr>
</tbody>
</table>
Appendix (1)

TRAFFIC CONTROL DIAGRAM 1
Work Beyond the Shoulder

- Appropriate for all durations, traffic flows, and speed zones
- Signage not required if work is behind a barrier (such as a guardrail), more than 2 feet from a standard raised curb, or 15 feet or more from the edge of the roadway
- For short term stationary, short duration, and very short duration work signage is not required if a vehicle with an activated high intensity strobe light is used to protect the work area
- During hours of darkness, all signage and delineation devices must be accompanied by Type C steady burn lights
- All efforts to maintain safe bicycle and pedestrian access must be made
- Illuminated arrows must not be used on two lane roads to prevent sending motorists into oncoming lanes of traffic regardless of whether the site is being actively flagged.
Appendix (1)

TRAFFIC CONTROL DIAGRAM 2

**Work on Shoulders**

- Appropriate for all durations
- Not for use in high volume traffic areas or high speed (45 MPH or more) roads where a lane closure is required instead
- Signage on intersecting approach roads not required if drivers will encounter another advanced warning sign before reaching the work area
- For short duration work (60 minutes or less) signage is not required if a vehicle with an activated high intensity strobe light is used to protect the work area
- All lanes must have at least 10’ of width
- During hours of darkness, all signage and delineation devices must be accompanied by Type C steady burn lights
- All efforts to maintain safe bicycle and pedestrian access must be made
- Illuminated arrows must not be used on two lane roads to prevent sending motorists into oncoming lanes of traffic regardless of whether the site is being actively flagged.
Appendix (1)

TRAFFIC CONTROL DIAGRAM 3
Shoulder Work with Minor Encroachment

- Appropriate for short (60 minutes or less) and very short (20 minutes or less) durations
- Not for use in high volume traffic areas or high speed (45 MPH or more) roads where a lane closure is required instead
- Signs are not required if the work area is protected by a vehicle with an activated high intensity strobe light
- Delineation devices are not needed for very short duration (20 minutes or less) work
- Signs must be placed at least 100’ but not more than 350’ apart
- All lanes must have at least 10’ of width
- During hours of darkness, all signage and delineation devices must be accompanied by Type C steady burn lights
- All efforts to maintain safe bicycle and pedestrian access must be made
- Illuminated arrows must not be used on two lane roads to prevent sending motorists into oncoming lanes of traffic regardless of whether the site is being actively flagged.
Appendix (1)

TRAFFIC CONTROL DIAGRAM 4
Single Lane Non-Arterial Closure with Flaggers

- Appropriate for intermediate-term stationary, short-term (60 minutes or less), and very short term (20 minutes or less) durations
- Not for use in high volume traffic areas or high speed (45 MPH or more) roads
- A single flagger may be used on very low speed (25 MPH or less) roads where the flagger can be seen by drivers approaching the work area from both directions
- All lanes must have at least 10’ of width
- During hours of darkness, all signage and delineation devices must be accompanied by Type C steady burn lights
- All efforts to maintain safe bicycle and pedestrian access must be made
- Illuminated arrows must not be used on two lane roads to prevent sending motorists into oncoming lanes of traffic regardless of whether the site is being actively flagged.
Appendix (1)

TRAFFIC CONTROL DIAGRAM 5
Right Lane Closure, Multiple Lane Road

- Appropriate for intermediate-term stationary, short-term (60 minutes or less), and very short term (20 minutes or less) durations
- All lanes must have at least 10’ of width
- During hours of darkness, all signage and delineation devices must be accompanied by Type C steady burn lights
- All efforts to maintain safe bicycle and pedestrian access must be made
Appendix (1)

TRAFFIC CONTROL DIAGRAM 6
Two Lane Road Center-of-Road Closure

- Appropriate for intermediate-term stationary, short-term (60 minutes or less), and very short term (20 minutes or less) durations
- Not for use in high volume traffic areas or high speed (45 MPH or more) roads where addition of flaggers is needed
- Access around local access barriers must have at least 10’ of width on both sides
- During hours of darkness, all signage and delineation devices must be accompanied by Type C steady burn lights
- All efforts to maintain safe bicycle and pedestrian access must be made
- Illuminated arrows must not be used on two lane roads to prevent sending motorists into oncoming lanes of traffic regardless of whether the site is being actively flagged.
Appendix (1)

TRAFFIC CONTROL DIAGRAM 7
Right Lane Closure at or Near Intersection

- Appropriate for short-term (60 minutes or less), and very short term (20 minutes or less) durations
- Lanes adjacent to work area must have at least 10’ of width
- During hours of darkness, all signage and delineation devices must be accompanied by Type C steady burn lights
- A vehicle with an activated high intensity strobe light and an illuminated arrow sign must be used to protect the work area
- All efforts to maintain safe bicycle and pedestrian access must be made
Appendix (1)

**TRAFFIC CONTROL DIAGRAM 8**
Inside Lane Closure at or Near Intersection

- Appropriate for short-term (60 minutes or less), and very short term (20 minutes or less) durations
- Lanes adjacent to work area must have at least 10’ of width
- During hours of darkness, all signage and delineation devices must be accompanied by Type C steady burn lights
- A vehicle with an activated high intensity strobe light and an illuminated arrow sign must be used to protect the work area
- All efforts to maintain safe bicycle and pedestrian access must be made
- If work area and protective vehicle are in center lane, the merge taper across the intersection is not required

| ![Diagram Image] |  
| --- | --- |

*Note: Diagram shows a typical setup for Inside Lane Closure at or Near Intersection with necessary signage and delineation.*
Appendix (1)

TRAFFIC CONTROL DIAGRAM 9
Surveying, Mid-Block Center of Road

- Appropriate for short duration (60 minutes or less) on low speed (under 45 MPH) roads
- Flaggers must be used on high volume, high speed (45 MPH or more) roads to protect employees with their backs to traffic
- During hours of darkness, this plan must be accompanied by Type C steady burn lights to augment channelizing devices and signs
- A vehicle with an activated high intensity strobe light should be used to protect the work area, if space and conditions allow
Appendix (1)

**TRAFFIC CONTROL DIAGRAM 10**  
Surveying, Mid-Block Lane Closure on Arterial Road

- Appropriate for short (60 minutes of less) and very short (20 minutes or less) durations
- Flaggers must be used on high volume, high speed (45 MPH or more) roads to protect employees with their backs to traffic
- During hours of darkness, this plan must be accompanied by Type C steady burn lights to augment channelizing devices and signs
- A vehicle with an activated high intensity strobe light and an illuminated arrow sign should be used to protect the work area, if space and conditions allow
Appendix (1)

TRAFFIC CONTROL DIAGRAM 11
Mid-Block Non-Arterial Road Closure

- Appropriate for intermediate-term stationary, short-term (60 minutes or less), and very short term (20 minutes or less) durations
- Not for use in high volume traffic areas or high speed (45 MPH or more) roads
- Access around local access barriers must have at least 10’ of width on both sides
- During hours of darkness, all signage and delineation devices must be accompanied by Type C steady burn lights
- Permission to close road must be granted by local road authority with jurisdiction
- All efforts to maintain safe bicycle and pedestrian access must be made
Appendix (1)

TRAFFIC CONTROL DIAGRAM 12
Sidewalk Closure

- Appropriate for all situations where a sidewalk needs to be closed for 20 minutes or more
- Sidewalk closures lasting more than 1 hour should be safely detoured, and flaggers added to the plan to protect diverted pedestrians as appropriate
- Sidewalk closures must be coordinated with the responsible jurisdiction

Notes

1. At night, this setup must be accompanied by Type C steady burn lights to augment barriers and signs
November 27, 2019

Sent via email

David Schumacher, Director
Washington State Office of Financial Management
P.O. Box 43113
Olympia, WA 98504-3113

RE: Supplemental Capital Budget Funding Request
Skagit Public Utility District Waterline Extension, Little Mountain Road Project

Dear Mr. Schumacher:

On June 17, 2019, Public Utility District No. 1 of Skagit County (District) was awarded a $1,300,000 State Grant in the 2019-2021 Capital Budget for the Little Mountain Road Project. The first phase of funding was allocated to complete land acquisition, public outreach, and design of a 3-mile water line to provide rural land owners legal access to water. The award was a partial funding of an overall project cost of $6,000,000. The District is now seeking to secure the remaining $4,700,000 to support construction and completion of this project that is very important to our community.

Introduction and Benefits of Project

In 2001, Washington State Department of Ecology adopted Chapter 173-503 WAC, establishing minimum instream flows on the Skagit River. Due to these regulations and Washington water law, new uses of water, including “permit-exempt,” wells are not allowed in most of the Skagit River watershed without an approved mitigation plan.

Property owners wishing to build a new home in this affected area have few options to obtain legally available water due to the law’s strict requirement to provide mitigation for water drawn from a new well. The available options are to drill a well with approved mitigation, collect and store rainwater with an approved and properly engineered system, or connect to a public water supply. While these mitigation options seem relatively simple at face value, they are very difficult to put into practice.
Skagit County and the Department of Ecology have provided a mitigation plan for a limited area east of the City of Mount Vernon, but the potential for mitigation in other areas has proven quite limited. A very small number of landowners have been building homes with the use of rainwater collection, but this unique source of water comes with significant challenges.

In 2015, the District partnered with the Department of Ecology and it was agreed that the District’s long-held water rights should be used to provide water to rural residents and avoid the need to drill wells and reduce instream flows. The District has completed further analysis of potential pipelines to extend and serve these impacted areas. The Little Mountain Road Project was selected as the first of these projects to be put forward because it protects our salmon and steelhead resources while at the same time providing a dependable source of water that protects instream flows and senior water rights.

The District has found broad support for the project from local land owners and other stakeholder groups. The Swinomish Indian Tribal Community, North Puget Sound Association of Realtors, Skagit Island Counties Builders Association and Skagit County are all supportive of the project. Please see attached letters of support.

**Little Mountain Road Project**

The Little Mountain Road Project begins in the southeast corner of the City of Mount Vernon and travels approximately 2.9 miles east through unincorporated Skagit County to the Big Lake area, connecting to another existing part of the District’s water system. This pipeline is the preferred project due to the high number of potential new water services, benefits to the existing water system, and proximity to nearby urban areas. A portion of the project is within the City of Mount Vernon urban growth area. There are approximately 32 vacant properties adjacent to the proposed waterline, and it is estimated that approximately 68 new homes could be constructed if landowners fully developed their properties. The District regularly receives inquiries from potential customers in this area, but the cost of required waterline extensions has been too expensive for individual landowners to bear. Please see attached map.

**Little Mountain Road Project Funding Information**

According to RCW 54, the District is unable to use income from water receipts to pay for this project. The only vehicle to implement this project is through a Local Utility District (LUD) in which the properties benefiting from the improvement share the cost. However, the high cost of the project makes it prohibitive for the landowners to fund the project directly. Therefore, without State funding or some other funding mechanism, these rural landowners will not have legal access to water. After completion of the project, the District will own, operate and maintain the pipe line as part of our larger public water system.
Public Outreach

The District held an informational open house on October 10, 2019 at the Lodge at Hillcrest Park in Mount Vernon. The open house was well attended with more than 47 people representing over 28 households who showed strong interest in the project. The public outreach campaign will continue with a mailed survey to adjacent property owners to document interest in the project.

Project Summary and Schedule

Property owners wishing to build a new home in this affected area have few options to obtain legally available water. The District has worked with current stakeholders and have found a solution that addresses the property owner’s ability to build homes, while protecting salmon and steelhead resources. The project is currently being designed and the District will be pursuing permits and Rights-of-Way in early 2020. If funding can be secured, construction could begin as soon as the 4th quarter of 2020.

This project is very important for the community and will have a significant impact on the people that own property and live along Little Mountain Road. This project will also set an example for finding solutions to address the minimum instream flows of the Skagit River and potentially lead to future projects that can continue to address this issue.

If you have any questions or comments regarding the project, please do not hesitate to contact us.

Sincerely,

George Sidhu, P.E.
General Manager
(360) 848-4436
sidhu@skagitpud.org

Attachments:
Swinomish Indian Tribal Community Support Letter
Skagit County Board of Commissioners Support Letters (2)
North Puget Sound Association of Realtors Support Letter
Skagit/Island Counties Builders Association Support Letter
Project information Sheet
Little Mountain Road Map
December 2, 2019

George Sidhu, P.E., General Manager
Skagit Public Utility District
PO Box 1436
Mount Vernon, WA 98273

Dear Mr. Sidhu:

Thank you for writing to request the remaining $4.7 million needed to support construction and completion of the Little Mountain Road project in the 2020 supplemental capital budget.

Please know that we will keep your request in mind as we work with the Governor to develop his budget proposal for submittal to the Legislature.

Again, thank you for your letter.

Sincerely,

David Schumacher
Director
2019 Judy Reservoir Inflows & Outflows

December 02 Elevation: 455.23
November 25 Elevation: 456.14
Change in Elevation: -0.91
Spillway elevation: 465.10'
Stream Inflow YTD: 420.89 MG
Pumped from river YTD: 1984.91 MG
Total Services Sold in October 2019 = 31

Of the 31 Total Services Sold:

2 are Commercial/Industrial Services
1 are Governmental Services
0 are Irrigation Services
0 are Farm Services
0 are Multi-Residential
28 are Residential Services

Of the 28 Residential Services Sold:

24 are sold to Builders
4 are sold to Owners

Of the 4 Services sold to Owners:

1 are needing/wanting to get off wells

Miscellaneous
5 Re-Activations
2019 Total Services Sold to date = 192

Of the 192 Total Services Sold:

10 are Commercial/Industrial Services
3 are Governmental Services
2 are Irrigation Services
3 are Farm Services
2 are Multi Residential
172 are Residential Services

Of the 172 Residential Services Sold:

120 are sold to Builders
52 are sold to Owners

Of the 52 Services sold to Owners:

10 are needing/wanting to get off wells

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### Services Sold by Month

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**TOTAL Meters Sold for the Year of 2019**

### Re-Activations by Month

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**TOTAL Meters Re-Activated for the Year of 2019**

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**TOTAL Meters for the Year of 2019**

### Agenda Item #21
City considering acquiring water system from Skagit PUD

By Richard Walker rwalker@goanacortes.com 1 hr ago

The City of Anacortes is considering acquiring from the Skagit Public Utility District a 63-year-old water system serving Dewey Beach, Gibralter, Fidalgo Heights and Summit Park.

The acquisition of the Fidalgo Island Water System would increase the size of Anacortes' water system by 9%, Public Works Director Fred Buckenmeyer told the City Council on Nov. 12. It would generate about $424,000 in annual revenue and cost $51,000 a year to operate. The revenue balance would go toward capital improvements on the system, he said.

The City Council must first approve a Memorandum of Agreement clearing the way for city staff to work with Skagit PUD staff to finalize the details of the transfer of ownership; the item is scheduled to be on the council's Dec. 2 agenda, according to the city website. Skagit PUD would have public meetings with system customers. The transfer of ownership would need to be cleared by the county Boundary Review Board.

The proposal as it now stands is for a no-cost transfer of service area from Skagit PUD to the city, according to city Finance Director Steve Hoglund.

What must be finalized is which improvements will be completed by which agency, according to Skagit PUD general manager George Sidhu. Projects on Skagit PUD's priority list: routine pipe replacement; relocation of a pressure-reducing valve, which would allow more water to flow through the existing connection; and adding a fourth connection to Anacortes' water transmission line.

Buckenmeyer told the council that the city and Skagit PUD had discussed for several years the benefits of transferring the system to the city.

“The basic reason for the transfer is it would improve maintenance and emergency response times and result in economic and water service-related efficiencies for the customers out there,” he said. “The PUD actually purchases water from the City of Anacortes and resells it to this group of about 720 customers.”
The City of Anacortes has the right to 54 million gallons a day from the Skagit River, but typically draws 20 million gallons a day, Hoglund said in an earlier interview. In addition to providing water for residents and businesses within the city limits, the city sells water at a wholesale rate to Skagit PUD, the Town of La Conner, the Swinomish Tribe and the City of Oak Harbor, who in turn sell water to their residential and commercial customers at locally set rates.

Fidalgo Island Water System consists of about 95,000 linear feet of pipe, four reservoirs and one booster pump station. The system serves about 720 customers in Gibralter, Dewey Beach, Fidalgo Heights, Summit Park, and the Highway 20/Deception Road. The area is outside the city limits and the city's urban growth area.

By comparison, Anacortes's water system comprises 850,000 feet of pipe and 8,000 connections. Fidalgo Island Water System would increase by 9% the total feet of water lines under the city's ownership and the number of water customers by 11%, Buckenmeyer said. He doesn't believe the acquisition would warrant an increase in the current city water staff of seven employees.

Sidhu said Skagit PUD collected $442,000 from Fidalgo Island Water System customers and spent $110,000 to operate the system in 2017.

Buckenmeyer said of the city's rates, “If we imposed our rates (at Fidalgo Island Water System), we would have $424,000 (in revenue), really closely to the same amount,” Buckenmeyer said. “It’s a financially viable system and is able to stand on its own.”

Transfer ‘makes sense’

The Skagit PUD was founded in 1936 and provides water service to about 65,000 people, according to its website. The bulk of its customers are in Burlington, Mount Vernon and Sedro-Woolley, but Skagit PUD also operates eight remote water systems, among them Potlatch Beach on Guemes Island and the Fidalgo Island Water System.

Fidalgo Island Water System was established in 1956 when residents of several Similk Bay-area neighborhoods established Local Utility District No. 2 and asked Skagit PUD to build and operate the water system, to be funded by water rates. The system expanded in 1961 to include Gibralter and Dewey Beach, Sidhu said.

“We look at this in terms of benefit to the community,” Sidhu said of the transfer of ownership. “There are geographical efficiencies that the city can provide. In the event of a water line break or other emergency, Anacortes is closer to respond. The cost of ownership is less for the city to do it. It makes sense, from the customer’s point of view, for the city to own and operate it.”

Buckenmeyer said pretty much the same thing at the council’s Nov. 19 meeting. “This is more of a regional benefit than it is a City of Anacortes benefit,” he said. “It makes sense for the City of Anacortes staff who are right here, adjacent to the system, to provide that maintenance and
operation rather than having PUD staff drive over from 15, 20 miles away. ... We believe that the service that these folks are going to get is going to be better with Anacortes than with the PUD."

City Councilman Ryan Walters said the city taking over operation of the Fidalgo Island Water System doesn’t increase “the likelihood of further development in that area. Development is controlled by zoning.” In addition, he added, “We already are serving most of Fidalgo Island.”

**What the agreement says**

According to the proposed agreement:

- Skagit PUD would complete improvements it is already committed to undertake.
- Skagit PUD would warranty the work for one year.
- Skagit PUD would continue to provide meter-reading, billing and revenue collection services until the switch-over is completed.
- The city and the PUD would share equally all costs and expenses related to “all necessary transfer documents, including without limitation, legal, consultant and applicable filing costs.”

**Fidalgo Island Water System assets**

- Similk Reservoir: 100,000 gallons (wood stave)
- Summit Park Reservoir: 100,000 gallons (concrete)
- Fidalgo Heights Reservoir: 550,000 gallons (welded steel)
- Bridgeway Reservoir 1: 50,000 gallons (concrete)
- Bridgeway Reservoir 2: 50,000 gallons (concrete)
- Gibralter pump station: 500 gallons per minute at 120 PSI
Skagit PUD remodel faces rising costs

By BRANDON STONE @Brandon_SVH

Posted 2 hrs ago – 11/21/2019

The Skagit Public Utility District has its offices on Freeway Drive in Mount Vernon.
Brandon Stone / Skagit Valley Herald

The Skagit Public Utility District is moving forward with plans to remodel its Mount Vernon campus amid a projected multimillion-dollar cost increase to the project.

Sam Shipp, capital project manager with the PUD, said he expects a remodel to cost about $23 million, though he suggested several methods of reducing the price.

“There’s options here where we could really save a lot of money,” Shipp said at a workshop Tuesday.

George Sidhu, general manager of the district, said original remodel estimates were about $17.5 million, and he wants to get the project back to that number.
Staff plans to meet with the city’s Development Services Department in early December to better understand the site improvements the city will require. Sidhu said city requirements, such as landscaping or traffic improvements, could change the cost or scope.

Under the staff’s preferred plan, the PUD would construct a new building to the southwest of the current facility and would be able to keep using several shop buildings.

Shipp said the cost of constructing a new building is comparable to remodeling the current space, but would minimize disruption to staff.

The northern half of the 16-acre property, which would then be vacant, could possibly be sold to recoup some costs.

A needs analysis from 2018 found the PUD will need about 43,000 square feet of office space to handle growth over the next 30 years.

To cut costs, Sidhu suggested expanding to about 35,000 square feet and leaving open space for an addition when needed.

Shipp said the cost increases are mostly due to rising construction costs rather than any changes to the size or scope of the project.

Eron Berg, PUD commissioner and city supervisor and attorney for Sedro-Woolley, said it might be worth reconsidering a move rather than a remodel, given the higher price.

“I’m again wondering if this is the right spot for us,” he said.

The property along Freeway Drive has increased significantly in value since it was purchased, Berg said in an earlier interview. It’s possible selling the land could fund a new building in a cheaper part of the county, he said.

— Reporter Brandon Stone: bstone@skagitpublishing.com, 360-416-2112, Twitter: @Brandon_SVH