Pursuant to Governor Jay Inslee’s Proclamation 20-28.12, Public Utility District No. 1 of Skagit County Board of Commissioner meetings will be held virtually through ZOOM Cloud Meetings.

Join our meeting: [https://us02web.zoom.us/j/89895724289?pwd=emdLSlF3Yk16SUU1UTJjWVVIdEJ0QT09](https://us02web.zoom.us/j/89895724289?pwd=emdLSlF3Yk16SUU1UTJjWVVIdEJ0QT09)
Meeting ID: 898 9572 4289
Passcode: 417107
Or dial: 1-253-215-8782

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

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

CONSENT AGENDA
1. Approval of Agenda 11/24/20
2. Approval of Minutes: 11/10/20 Regular Meeting
3. Ratification of Vouchers 11/17/20
4. Voucher Approval 11/24/20

AUDIENCE COMMENTS

OLD BUSINESS
5. Manager’s Report

NEW BUSINESS
6. Judy Reservoir to Mount Vernon Transmission Line Phase 2 – Engineer of Record Services During Construction Award - HDR, Inc - Action
7. Judy Reservoir to Mount Vernon Transmission Line Phase 2 – Engineering Services During Construction Award – Muraysmith, Inc. – Action
8. Judy Reservoir to Mount Vernon Transmission Line Phase 2 – Horizontal Directional Drilling Engineering and Construction Services Award – Staheli Trenchless Consultants - Action
9. Judy Reservoir to Mount Vernon Transmission Line Phase 2 – Interlocal Agreement and Centennial Trail Easement – Skagit County - Action

INFORMATION
10. Monthly Budget Status – October 2020
11. Judy Reservoir Data Report

COMMISSIONER COMMENTS

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

November 10, 2020

The meeting was held virtually due to the COVID-19 pandemic.

Commissioners Appearing Remotely: Joe Lindquist, President; Al Littlefield, Vice President; and Germaine Kornegay, Secretary.

Staff Appearing Remotely: George Sidhu, Brian Henshaw, Mark Handzlik, Doug Streeter, Chris Shaff, Mike Demers, Alistair Boudreaux, Jay Sedivy, Mike Fox, Sam Shipp, Kevin Tate, Kathy White, Sally Saxton, and Skagit PUD Attorney Peter Gilbert. Others may have appeared but were not identified.

Staff Appearing In Person: Luis Gonzalez and Deana Dean

Other Parties Appearing Remotely: Andrew Miller. Others may have appeared but were not identified.

Commissioner Lindquist called the meeting to order at 4:30 p.m.

CONSENT AGENDA
Commissioner Kornegay moved to approve the Consent Agenda for November 10, 2020 which was unanimously approved.

1. Approval of Agenda
2. Approval of Minutes: 10/13/20 Regular Meeting, 10/20/20 Budget Work Session, 10/21/20 Special Meeting, & 11/3/20 Budget Work Session
3. Ratification of Vouchers 10/20/20, 10/27/20, & 11/3/20
4. Voucher Approval 11/10/20 – No. 2953
   Accounts Payable voucher No. 19603-19672 ($172,679.58) Electronic Funds Transfer ($93,677.68), and Payroll Electronic Funds Transfers and checks No. 032335-032419 ($185,392.56).
5. Project Acceptance:
   5-Lot Short Plat B&T Enterprises (Mount Vernon)
   United Parcel Service, Parking Lot Expansion (Burlington)

3rd QUARTER 2020 FINANCIALS
Finance Manager Brian Henshaw provided, by PowerPoint presentation, a review of 3rd quarter 2020 financials. Topics included the general federal economy stats including unemployment, gross domestic product, and core personal consumption expenditures; treasury yield curve; investment returns; District funds; year-to-date revenues; capital contributions; new services; meters; operating and department expenses; cash flow summary; accounts receivable aging of more than 90 days; consumption; and budget forecast through the end of the year. Brian answered Commissioner questions throughout the presentation.

AUDIENCE COMMENTS
None.

OLD BUSINESS
6. Manager’s Report
   General Manager George Sidhu provided an update on the following:
   CARES Act Funding: The City of Mount Vernon has provided $40,000 to help customers residing within the Mount Vernon city limits. Customers with outstanding balances over 60 days were contacted and eleven customers have applied and received funding. The program will be expanded to delinquent accounts over 30 days in order to provide assistance to additional customers. Commissioner questions followed.
   Department Update: Newsletters are being sent out via email to customers who have opted for paperless billing. Engineering: An agreement has been reached with the Department of Ecology (DOE) on water rights for Mundt Creek. A brief summary was provided on the DOE’s 2001 decision that reduced the District’s instantaneous water rights and terms of the agreement. George recognized and thanked Bill Trueman for his efforts. Judy Reservoir to Mount Vernon Transmission Line Project is going out to bid on November 17th. Bids will be
due on December 18th and the award is planned for the first meeting in January. George noted the November 24th meeting will have a number of consultant contracts, an agreement with Skagit County for cost-sharing, and an easement with Skagit County for using the Centennial Trail corridor. Brief discussion regarding engineer’s estimate, CIP budget, and whether a budget amendment would be forthcoming. With regard to Micro-Hydro, we received an offer for a $200,000 grant from Coal Transition Board which is approximately half of the project estimate. The application for additional grant funds from the Bureau of Reclamation is still pending.

Proclamations: The Rate Payor Assistance Proclamation has been extended until December 31st. The Proclamation regarding the Open Public Meetings/Public Records Act has been extended until December 7th. The recommendation is to leave current practices in place and was agreed upon by the Board.

NEW BUSINESS
7. Resolution 2281-20 Adopting 2021 Final Budget
   George provided a brief recap of the budget, the hearings that have been held, the changes that have been made, and the request for adoption.

Commissioner Littlefield moved to approve Resolution 2281-20 adopting the budget for the calendar year 2021, which was seconded by Commissioner Kornegay and unanimously approved. Commissioner Lindquist thanked staff for their work in the budget process.

8. Judy Raw Water Pump Station Replacement Engineering Services During Construction:
   Engineering Manager Mark Handzlik spoke to the responses received and the work that will be performed under this contract.

Commissioner Kornegay moved to authorize the General Manager to execute Task Order No. 008 with RH2 Engineering, Inc. in the amount of $111,200 for engineering services during construction related to the Judy Raw Water Pump Station Replacement, which was unanimously approved.

9. Judy Raw Water Pump Station Replacement Bid Award:
   Commissioner Kornegay moved to authorize the General Manager to enter into a contract with McClure & Sons, Inc., in the amount of $2,725,830.31 to replace the Raw Water Pump Station at the Judy Water Treatment Plant, which was unanimously approved.

10. 2021 General Manager’s Goals:
    General Manager George Sidhu spoke to the updated General Manager goals for 2021 which included an added goal related to CARES Act funding.

INFORMATION
11. Monthly Budget Status – September 2020
12. Judy Reservoir Data Report
13. Recent News Articles

COMMISSIONER COMMENTS
Commissioner Littlefield attended the PURMS Zoom Meeting last week noting AETNA as the new insurance carrier in 2021. Commissioner Kornegay had nothing to report at this time. Commissioner Lindquist will be attending the Skagit Council of Government meeting next week as well as the joint meeting with the Port of Skagit. The November 17, 2020 Budget Work Session was canceled.

ADJOURNMENT
With no further business to come before the Board, the meeting was adjourned at 5:19 p.m.
We, the undersigned Board of Commissioners of Public Utility District No. 1 of Skagit County, Washington, do hereby certify that the merchandise and/or services hereinafter specified have been received and are hereby approved for payment in the amount of $333,357.75 this 17th day of November, 2020.

The total is comprised of the following:

Accounts Payable voucher No. from 19673 through 19730 in the amount of $332,047.75, Electronic Funds Transfer in the amount of $1,310.00. Payroll Electronic Funds Transfers and checks No. through in the amount of $0.00.

Attest:

Date: 11/16/2020

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333,357.75
November 24, 2020

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

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

SUBJECT: Judy Reservoir to Mount Vernon Transmission Line Phase 2
HDR, Inc. Engineer of Record Services During Construction

Requested Action:
Authorize the General Manager to enter into an agreement with HDR, Inc. in the amount of $44,720.00 for Engineer of Record services for the Judy Reservoir to Mount Vernon Transmission Line Phase 2 project.

Background:
The Judy Reservoir to Mount Vernon Transmission Line Phase 2 design and specifications are complete and published for bids.

This project replaces the District's existing 24-inch transmission pipeline installed in 1961 serving areas in Mount Vernon, Big Lake, and the rural regions west of Mount Vernon and Conway. The existing pipeline is near the end of its useful life and has experienced ruptures as recently as May 2020. The planned replacement is a 36-inch welded-steel transmission pipeline extending from the District's Judy Water Treatment Plant finished water reservoirs to Mount Vernon, connecting to the Phase 1 transmission pipeline installed in 2009.

The District selected HDR, Inc. through a competitive process to complete the design of the transmission line. They have placed their seal on the plans and specifications and have assumed liability for the design, and are the Engineer of Record. As the Engineer of Record, they are obligated to ensure the construction is compliant with the intent of the plans and specifications. They are also responsible for ensuring the record drawings are an accurate representation of the constructed project.

This agreement with HDR, Inc. provides for limited oversight of the construction and maintains their standing as Engineer of Record. They will be responsible for reviewing addenda, change orders, plan revisions, and construction markups prepared by District staff and other consulting engineers and testing agencies.

HDR, Inc.’s estimated fee for these services is $44,720. Construction is estimated to take 730 calendar days from when the Notice to Proceed is provided to the contractor.
Fiscal Impact:
The $44,720 in required funding is accounted for in the adoption of 2021 and 2022 Capital Budget line item “Transmission Line, Judy – MV Phase 2” with a combined amount of $32,400,000. Remaining 2020 Capital Budget balances for this project will also be carried forward. The District has received low-interest loans through the Drinking Water State Revolving Fund and Public Works Board to fund a portion of the project.

Attachments:  
Task Order Modification 8  
HDR, Inc. Scope of Services (cover)  
Professional Services Agreement Cover  
Project Map
This Modification, as described in the Consultant’s proposal dated November 10, 2020 and hereto attached and made part of this Agreement, hereby revises Task Order No. 016 under the Agreement for Professional Services dated April 1, 2016, which was modified on June 24, 2020, between HDR Engineering, Inc. and Public Utility District No. 1 of Skagit County.

THE PARTIES ACKNOWLEDGE that there has been an opportunity to negotiate the terms and conditions of Modification No. 008 and agree to be bound accordingly.

TERMS AND CONDITIONS OF EXISTING TASK ORDER REMAIN THE SAME: The parties agree that, except as specifically provided in this modification, the terms and conditions of the Task Order continue in full force and effect.

IN WITNESS WHEREOF, Task Order Contract Modification which shall for all purposes be deemed an original hereof, and properly transmitted copies, have been duly executed by the parties hereto.

HDR ENGINEERING, INC  
PUBLIC UTILITY DISTRICT NO. 1  
OF SKAGIT COUNTY, WASHINGTON

Karen Doherty, Senior Vice President  
George Sidhu, P.E., General Manager

Date: ___________________________  
Date: ___________________________
Public Utility District No. 1 of Skagit County
Judy Reservoir to Mount Vernon Transmission Pipeline – Phase 2

Task Order No. 16
Modification No. 8
Attachment 1

Services During Construction

Scope of Services
November 10, 2020
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Background Information ............................................................................................................................................ 1
Scope of Services ...................................................................................................................................................... 1
  Task 301 – Services During Bidding .................................................................................................................. 1
  Task 302 – Conformed Documents ................................................................................................................... 2
  Task 303 – Services during Construction ......................................................................................................... 2
Schedule  4
Fee 5

Attachment A: Level of Effort
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SCOPE OF SERVICES

Background Information
The intent of the Modification No. 8 to the Original Agreement for Professional Services for Task Order No. 16 is to accommodate the following additional scope of services:

- Task 301 – Services During Bidding
- Task 302 – Conformed Documents
- Task 303 – Services During Construction

Scope of Services
The Scope of Services and deliverables are provided below.

Task 301 – Services During Bidding

Objective:
Provide assistance to the District during the bid phase of the project.

Consultant Services:
HDR will provide assistance during bidding including the following:

1. Provide review, comment, and approval of District drafted responses to bidder questions regarding the construction contract documents.
2. Provide review, comment, and approve of bid documents updates prepared by the District for inclusion in contract addenda. Each addenda to be reviewed and approved prior to issuance by the District.

District Responsibilities:

1. Prepare the Draft Invitation to Bid as part of Division 0 specifications.
3. Printing of documents for internal District use.
4. Prepare agenda, lead Pre-Bid Meeting, and prepare summary of meeting.
5. Receive, prepare, and respond to bidder questions.
6. Prepare and issue addendums.
7. Verify and document Bidder qualification submittal and provide evaluation of bidder qualifications as established by the District and incorporated into the contract documents.
8. Recommendation for award to Commissioners.

Assumptions:

1. HDR will not be required to reproduce documents for bidding purposes.
2. All bidder questions, responses and addenda will be prepared and issued by the District.
3. Respond to up to 15 bidder questions.
4. Up to three project addenda will be prepared by the District during the bidding process.

Deliverables:
1. Approved addenda and associated attachments as prepared by the District (electronic format).

Task 302 – Conformed Documents

Objective:
Review complete conformed set of documents containing addendum changes prepared by District to be used during construction phase of the project.

Consultant Services
1. Provide review and comment on conformed set of Contract Drawings to include addenda issued during the bidding process.

District Responsibilities:
2. Provide contractor with conformed set of Contract Drawings and Specifications

Assumptions
1. Services will be provided after bids are received and District provided recommendation of award to Commissioners.
2. Official contract documents including actual Addenda to be included in contract with contractor. Conformed set provided as a convenience to client and contractor to have completed set of integrated documents.

Deliverables
1. Provide review comments of Conformed Set of Contract Drawings (electronic PDF).

Task 303 – Services during Construction

Objective:
Provide assistance as authorized by the District during the construction phase of the project.

Consultant Services:
HDR will provide assistance during construction on an as needed basis as requested and approved by the District as follows:
1. Support the District with services under this Task 303, up to the not-to-exceed amount of this authorization, which may include but not be limited to:
   • Submittal Review: Review shop drawings, diagrams, illustrations, catalog data, schedules and samples, the results of tests and inspections, and other data which
the Contractor is required to submit. These shall be reviewed for conformance to the design intent of the Project and for compliance with the information given in the Contract Documents.

- Request for Information (RFI): Provide responses to questions by the Contractor on the drawings, specifications, or other Contract documents.
- Request for Substitution (RFS): Review and provide responses to material substitutions requests by the Contractor different than those on the drawings, specifications, or other Contract documents.
- Change Order Proposals: Provide coordination and review to identify the need for changes to Work consistent with the design intent which require changes in Contract Price and/or Contract Time.
- Change Directives: Provide a directive to Contractor when fair and reasonable pricing for a change item cannot be negotiated or when a change item is critical to the project schedule
- Change Orders: Coordinate the combining of change documentation into Change Orders for execution by Contractor and the District.

2. Prepare individual task orders outlining scope, budget, and schedule of each task request from District once 70 percent of the not-to-exceed amount is achieved. Task order will include budget remaining within contract if authorized or request for additional fee.

3. Provide services as outlined in authorized task orders.

**District Responsibilities:**

1. HDR to be notified electronically of any potential design modifications, substitutions, submittals, or change orders that modify the design or the intent of the drawings or specifications.

2. Review and provide task order authorization (electronically).

3. Attend initial construction conferences, design and construction progress and other job related meetings, and Substantial Completion and final payment inspections. Provide meetings notes from construction meetings (electronically).

4. Maintain internal electronic Document Management System (DMS) for receiving, logging and tracking project electronic files. Electronic files to be included are field reports of project activities, digital photographs, audio recordings of meetings and conferences, meeting summary notes, material testing logs, work deficiency checklists, contractor payment certifications, submittals, RFIs, schedules, Field Orders, Change Proposal Requests, Work Change Directives, Change Orders, and correspondence between Consultant, Contractor, utility companies/agencies, other parties, and District.

5. Arrange for safe access to and make provisions for HDR and its subconsultants to enter upon public and private property as required for HDR to perform services under the Agreement.

6. Provide HDR with the findings and reports generated by the entities providing laboratory, inspection, or monitoring services other than those being provided by HDR.

**Assumptions:**

1. HDR will have 2 working days to respond to task order requests from the District. District will have 2 working days to review and provide task order authorization; and HDR will not proceed with any task order without written authorization (electronically) from the District.
2. Construction meeting notes to be provided 1 week from date of construction meeting; and will include any critical path concerns, requests/needs of the Engineer and action item log to include item lead, requested date, due date and any relevant notes/comments.

3. Additional or extended services will be provided under a separate negotiated contract amendment during construction if necessary due to circumstances beyond the control of HDR in order to be maintained as engineer of record. These services may include but not be limited to:
   - Building Permit Special Inspection Form required for bridge construction.
   - Project Construction Completion Form required as part of Department of Health Completion Report
   - Special Inspection Reports for bridge pilings.
   - Wetland Plant Inspections required for wetland reporting to permitting agencies.
   - Bridge shop drawing review and possible suggested design changes by fabricator that require structural approval.
   - Review calculations and dewatering submittals.
   - Steel pipe submittal review and RFI responses (Fabrication details, welding, coatings etc.)
   - Testing and set up of the cathodic system and baselining.
   - Environmental/regulatory interpretation of construction and permitting requirements.

4. HDR’s observation or monitoring portions of the work performed under construction contracts shall not relieve the contractor from its responsibility for performing work in accordance with applicable contract documents. HDR shall not control or have charge of, and shall not be responsible for, construction means, methods, techniques, sequences, procedures of construction, health or safety programs or precautions connected with the work and shall not manage, supervise, control or have charge of construction.

5. HDR shall not be responsible for the acts or omissions of the contractor or other parties on the project. HDR shall be entitled to review all construction contract documents and to require that no provisions extend the duties or liabilities of HDR beyond those set forth in this Agreement however no additional compensation shall be provided for review of such not included in the deliverables under this contract.

**Deliverables:**

1. Submittal reviews, RFIs, or other work products as listed will be performed once upon and request by the District within the not-to-exceed amount of this authorization.


**Schedule**

Project is anticipated to bid in November 2020 with notice to proceed for construction anticipated in February 2020. Construction is anticipated to take 2 years to complete.
Fee

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. 8 will be based on a time-and-materials basis with a not-to-exceed amount of Forty-Four Thousand Seven Hundred and Twenty Dollars, ($44,720.00).

The anticipated level of estimate for additional scope of services are provided as Attachment A and is summarized by task as follows:

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## Agenda Item #6

### Attachment A

#### Task 301 - Services During Bidding

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#### Task 302 - Conformed Documents

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<td>Task 302 - Total Fee</td>
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AGREEMENT FOR PROFESSIONAL SERVICES

This agreement ("Agreement") is between Public Utility District No. 1 of Skagit County, 1415 Freeway Drive, P.O. Box 1436, Mount Vernon, WA 98273 (360) 424-7104, ("SKAGIT PUD") and HDR Engineering, Inc., 800 108th Avenue NE, Suite 1200, Bellevue WA 98004-5549 (425) 450-6200 ("CONSULTANT"). The terms of this Agreement shall be deemed to be incorporated into any and all Work Orders issued by SKAGIT PUD to CONSULTANT for the performance of professional services with respect to any SKAGIT PUD Project ("Project"), as provided in the Scope of Services ("Services") in such Work Orders, and shall govern the relationship and respective rights and obligations between SKAGIT PUD and CONSULTANT with respect to such Work Orders and CONSULTANT'S performance of the Services thereunder. This Agreement shall be effective as of April 1, 2016, and shall remain in full force and effect for a period of four (4) years thereafter ("Term") provided, however, that this Agreement may be terminated before the expiration of the Term in accordance with the procedures provided in this Agreement. This Agreement may be modified only by written instrument, as provided in ¶ XX.4 herein, or as specifically modified in a Work Order issued and dated subsequent to the effective date of this Agreement and signed by both SKAGIT PUD and CONSULTANT. The parties to this Agreement hereby agree as follows:

ARTICLE I –Information to be Provided by Consultant for Work Orders. CONSULTANT shall provide SKAGIT PUD with the following information in a Work Order (Attachment A):

1. **Scope of Services.** The Scope of Services, as supplemented or augmented by applicable Work Orders ("Services"), shall contain a general statement identifying the nature and scope of Services CONSULTANT shall provide SKAGIT PUD under this Agreement, and shall break down such Services into line item Tasks to be performed by CONSULTANT to accomplish those Services. The Scope of Services shall also state the form(s) of the final product(s) resulting from performance of the Services that will be delivered to SKAGIT PUD.

2. **Contract Price and Task Budget.** The total Contract Price for performance of the Services stated in the Work Order shall be inclusive of all fees and costs as provided in ¶ II.1 herein. The Contract Price shall be broken down and allocated to the various line item Tasks set forth in the Scope of Services ("Task Budget").

3. **Schedule of Performance.** The dates for completion of each of the line item Tasks set forth in the Scope of Services of the Work Order, and the date for final completion of all Services to be rendered by CONSULTANT under the Work Order, shall govern the time schedule for the performance of the Services under the Work Order, unless modified in writing signed by both parties.

4. **Assignment of Personnel.** The identities of all of CONSULTANT’S employees and subcontractors or other third parties that will have any significant role in performance of the Services, along with a description of their respective roles in such performance, shall be set forth on the Work Order. CONSULTANT shall not change these assignments without prior written consent of SKAGIT PUD. Unless otherwise provided in an applicable Work Order, SKAGIT PUD shall not unreasonably
AGREEMENT FOR PROFESSIONAL SERVICES
HDR ENGINEERING, INC.
EXPIRATION MODIFICATION NO. 001

This Modification, entered into this 14th day of May 2020, hereby revises the expiration date of
the Agreement for Professional Services entered into April 1, 2016 between HDR Engineering,
Inc. and Public Utility District No. 1 of Skagit County to April 1, 2023. All other terms of the
original Agreement shall remain unchanged.

THE PARTIES ACKNOWLEDGE that there has been an opportunity to negotiate the terms and
conditions of Modification No. 001 and agree to be bound accordingly.

HDR ENGINEERING, INC.

Karen Doherty, Senior Vice President

May 20, 2020
Date of Signature

PUBLIC UTILITY DISTRICT NO. 1
OF SKAGIT COUNTY

George Sidhu, P.E., General Manager

6/24/2020
Date of Signature
This map was created from available public records and existing map sources, not from field surveys. While great care was taken in this process, maps from different sources rarely agree as to the precise location of geographic features. The relative positioning of map features to one another results from combining different map sources without field verification.

The PUD #1 of Skagit County disclaims any warranty of merchantability or warranty of fitness of this map for any particular purpose, either expressed or implied. No representation or warranty is made concerning the accuracy, currency, completeness or quality of data depicted on this map. Any user of this map assumes all responsibility for use thereof, and further agrees to hold the PUD #1 of Skagit County harmless from any damage, loss, or liability arising from the use of this map.
November 24, 2020

TO: George Sidhu, P.E., General Manager
FROM: Mark Handzlik, P.E., Engineering Manager

SUBJECT: Judy Reservoir to Mount Vernon Transmission Line Phase 2
Murraysmith, Inc. Engineering Services During Construction

Requested Action:
Authorize the General Manager to enter into an agreement with Murraysmith, Inc. in the amount of $733,144 for Engineering Services During Construction related to the Judy Reservoir to Mount Vernon Transmission Line Phase 2 project.

Background:
The Judy Reservoir to Mount Vernon Transmission Line Phase 2 project replaces the District’s 24-inch diameter concrete cylinder pipe, built in 1961, with a new 36-inch diameter welded steel transmission line. This project contains technical elements and contract administration requirements that exceed the generalized expertise of District staff.

To meet these needs staff are requesting the services of Murraysmith, Inc. to augment District staff and HDR, Inc. Beyond the technical nature of installing a 36-inch diameter welded steel pipe and appurtenances, the project also includes the construction of a 200-ft single-span bridge over the East Fork Nookachamps Creek, a fish passage culvert, a 1,100 linear foot horizontal directional drill pipe segment, SCADA components, and cathodic protection.

Murraysmith, Inc. was the runner up in the original competitive process to select a design consultant for this project. The District has good working experience with Murraysmith, Inc.’s team who provided construction services during construction of the Division Street Tank and Booster Pump project.

Murraysmith, Inc.’s services under this contract will augment those of HDR, Inc., who will remain as the Engineer of Record. Murraysmith will assist District staff in the review and response of Requests for Information, construction submittals, change order preparation, assembly of opinions of probable costs, contract administration and documentation, and inspection.

Murraysmith, Inc.’s estimated fee for these services is $733,144. Construction is estimated to take 730 calendar days from when the Notice to Proceed is provided to the contractor.
Fiscal Impact:
The $733,144 in required funding is accounted for in the adoption of 2021 and 2022 Capital Budget line item “Transmission Line, Judy – MV Phase 2” with a combined amount of $32,400,000. Remaining balances from the 2020 Capital Budget for this project will also be carried forward. The District has received low-interest loans through the Drinking Water State Revolving Fund and Public Works Board to fund a portion of the project.

Attachments:  Task Order #7
Murraysmith, Inc. Scope of Service Project Understanding
Professional Services Agreement Cover
Project Map
Pursuant to the terms and conditions of the Agreement for Professional Services dated May 20, 2019, Consultant shall provide services to Public Utility District No. 1 of Skagit County for the JUDY WTP TO MOUNT VERNON TRANSMISSION PIPELINE PROJECT, PHASE II project as more particularly described in Consultant’s proposal dated November 18, 2020 hereto attached and made a part of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Task Order to be executed and instituted as of the date of the last signature below.

MURRAYSMITH, INC. 

PUBLIC UTILITY DISTRICT NO. 1 
OF SKAGIT COUNTY

__________________________
Tom Lindberg, P.E., Principal Engineer

__________________________
George Sidhu, P.E., General Manager

Date of Signature

Tom.Linberg@murraysmith.us
EXHIBIT A

SCOPE OF WORK

Bidding and Construction Support Services
for
Judy Reservoir to Mount Vernon Transmission Pipeline
Phase 2
Skagit Public Utility District
11/18/2020

Background

Murraysmith, Inc. (Murraysmith) has developed the following scope of services and accompanying fee estimate for services to assist Skagit Public Utility District (District) during bidding and construction of the Judy Reservoir to Mount Vernon Transmission Pipeline, Phase 2 project (District project number 3549). The scope and fee estimate have been developed based on discussions with the District and our understanding of the project.

District and Consultant Roles

The District will take the lead role during bidding and for all construction administration, management, and inspection services during construction of the project. The District will retain other firms for specialty services related to the trenchless installation of the pipeline under the Nookachamps Creek and for other services listed in Task 5 of this scope. The services to be provided by Murraysmith during bidding and construction and the associated level of effort shown in the fee estimate reflects a supporting role by Murraysmith. The amount of time and effort that may be required to fulfill the obligations of this Scope of Work is subject to factors beyond the control of Murraysmith and the District. The projected level of effort proposed herein and included in the fee estimate therefore represents an “estimate” based upon the collective past experience of Murraysmith and the District for an experienced and reasonable contractor being awarded the construction contract and completing all construction work within the construction schedule.

Proposed Improvements

This project is the second phase of the District’s plan to replace an aging 24-inch diameter transmission pipeline with a new 36-inch diameter transmission main from the Judy Reservoir to Mount Vernon. Phase 1 of the project was completed in 2009 and extended from the City to North
43rd Place, west of SR 538. The major elements of Phase 2 of the project includes the following proposed improvements:

- Approximately 28,000 linear feet (5.3 miles) of 36-inch diameter water transmission pipeline within public right-of-way and across private properties with easements. The proposed pipeline will be installed as follows:
  - Approximately 24,100 linear feet of 36-inch-diameter welded steel pipe and fittings (cement mortar lined and polyurethane coated) installed by open trench construction.
  - Approximately 1,600 linear feet of 36-inch-diameter earthquake resistant pipe and fittings installed by open trench construction.
  - Approximately 1,930 linear feet of 36-inch-diameter welded steel pipe (polyurethane lined and coated) installed by horizontal directional drilling (HDD) under the Nookachamps Creek.
  - Approximately 230 linear feet of 36-inch-diameter welded steel pipe and fittings (cement mortar lined and polyurethane coated) installed under the bridge for the East Fork Nookachamps Creek crossing.
  - Approximately 140 linear feet of 36-inch-diameter welded steel pipe (cement mortar lined and polyurethane coated) installed within a 48-inch-diameter steel casing installed by bored and jacked casing methods under State Route 9.

- Special crossing of Stream A involving a temporary stream bypass, the installation of a fish passable precast concrete box culvert.

- Special crossing of Clear Lake Tributary involving a stream bypass and open trench construction.

- Taping into finished water line and installation of two (2) 36-inch-diameter flow meters in vaults, and associated electrical and SCADA at the Judy Reservoir Water Treatment Plant.

- Installation of a 4-inch-diameter fiber optic conduit and handholes for the entire alignment of the 36-inch-diameter water transmission pipeline, including an approximate 1,930-foot-long HDD of the Nookachamps Creek.

- Installation of new water distribution lines and pressure reducing valve (PRV) stations.

- Repair or replacement of existing water services.

- Connections to the District’s existing water distribution lines and services along the alignment.

- Installation of pipeline appurtenances, including isolation valves, air valves, drains, manway access, anchor blocks, trench plugs, and drain pipes.

- Installation of cathodic protection system with rectifier and deep well anode bed.

- Abandonment of the existing 24-inch-diameter water transmission pipeline.

- Construction of approximately 2.3 miles of Service Road along the pipeline including grading and installation of storm culverts and drain piping.

- Decommissioning of existing groundwater monitoring wells.
Overview of Major Tasks

This Scope of Services consists of the following major tasks that are described in detail below.

- Task 1: Project Management and Coordination
- Task 2: Project Review and Site Visit
- Task 3: Biddability Review
- Task 4: Opinion of Probable Construction Cost
- Task 5: Requests for Specialty Services
- Task 6: Bidding Support
- Task 7: Preconstruction Conference and Construction Meetings
- Task 8: Shop Drawings and Submittal Reviews
- Task 9: Requests for Information
- Task 10: Change Order Review
- Task 11: On-call Construction Observation Support
- Task 12: Supplemental Services Management Reserve
AGREEMENT FOR PROFESSIONAL SERVICES

This agreement ("Agreement") is between Public Utility District No. 1 of Skagit County, 1415 Freeway Drive, P.O. Box 1436, Mount Vernon, WA 98273 (360) 424-7104, ("SKAGIT PUD") and murraysmith, 520 Pike Street, Suite 1350, Seattle WA 98101 (206) 462-7030 ("CONSULTANT"). The terms of this Agreement shall be deemed to be incorporated into any and all Task Orders issued by SKAGIT PUD to CONSULTANT for the performance of professional services with respect to any SKAGIT PUD Project ("Project"), as provided in the Scope of Services ("Services") in such Task Orders, and shall govern the relationship and respective rights and obligations between SKAGIT PUD and CONSULTANT with respect to such Task Orders and CONSULTANT'S performance of the Services thereunder. This Agreement shall be effective as of May 20, 2019 and shall remain in full force and effect for a period of four (4) years thereafter ("Term") provided, however, that this Agreement may be terminated before the expiration of the Term in accordance with the procedures provided in this Agreement. This Agreement may be modified only by written instrument, as provided in ¶ XX.4 herein, or as specifically modified in a Task Order issued and dated subsequent to the effective date of this Agreement and signed by both SKAGIT PUD and CONSULTANT. The parties to this Agreement hereby agree as follows:

ARTICLE I – Information to be Provided by Consultant for Task Orders. CONSULTANT shall provide SKAGIT PUD with the following information in a Task Order (Attachment A):

1. **Scope of Services.** The Scope of Services, as supplemented or augmented by applicable Task Orders ("Services"), shall contain a general statement identifying the nature and scope of Services CONSULTANT shall provide SKAGIT PUD under this Agreement, and shall break down such Services into Task Line Items to be performed by CONSULTANT to accomplish those Services. The Scope of Services shall also state the form(s) of the final products(s) resulting from performance of the Services that will be delivered to SKAGIT PUD.

2. **Contract Price and Task Line Item Budget.** The total Contract Price for performance of the Services stated in the Task Order shall be inclusive of all fees and costs as provided in ¶ II.1 herein. The Contract Price shall be broken down and allocated to the various Task Line Items set forth in the Scope of Services ("Task Line Items Budget").

3. **Schedule of Performance.** The dates for completion of each of the Task Line Items set forth in the Scope of Services of the Task Order, and the date for final completion of all Services to be rendered by CONSULTANT under the Task Order, shall govern the time schedule for the performance of the Services under the Task Order, unless modified in writing signed by both parties.

4. **Assignment of Personnel.** The identities of all of CONSULTANT’S employees and subcontractors or other third parties that will have any significant role in performance of the Services, along with a description of their respective roles in such performance, shall be set forth in the Task Order. CONSULTANT shall not change these assignments without prior written consent of SKAGIT PUD. Unless otherwise
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Legend
- Drill Points [Proposed]
- Wetlands
- Bridge [Proposed]
- Existing Main
- Transmission Line [Proposed]

The map data 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.

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Legend
- Drill Points [Proposed]
- Wetlands
- Bridge [Proposed]
- Existing Main
- Transmission Line [Proposed]
November 24, 2020

TO: George Sidhu, P.E., General Manager
FROM: Mark Handzlik, P.E., Engineering Manager
SUBJECT: Judy Reservoir to Mount Vernon Transmission Line Phase 2
Staheli Trenchless Consultants Engineering Services

Requested Action:
Authorize the General Manager to enter into an agreement with Staheli Trenchless Consultants (STC) in the amount of $119,526.00 for Horizontal Directional Drilling (HDD) Engineering and Construction Services related to the Judy Reservoir to Mount Vernon Transmission Line Phase 2 project.

Background:
The Judy Reservoir to Mount Vernon Transmission (JRMV) Line Phase 2 project replaces the District’s 24-inch diameter concrete cylinder pipe, built in 1961, with a new 36-inch diameter welded steel transmission line. One segment of the 5-mile installation will employ HDD trenchless technique for the installation of 1,100 linear feet of pipe under the Nookachamps Creek.

The practice of HDD design is a specialized technical engineering discipline that combines knowledge of geotechnical and material properties expertise and construction experience into a final plan. For the JRMV project the HDD will bore a 42-inch diameter path under the Nookachamps Creek, just east of College Way, and pull in a continuous 1,100 linear foot section of 36-inch welded steel section of pipe. This type of design and construction is very specialized and exceeds the general expertise of District staff. Therefore, STC has been requested to assist the District in the design, and oversee the construction of this work.

The District selected STC through the District’s on-call Engineering Services Roster. They have performed a peer review of the draft HDD design completed by HDR, and have assisted the District in the completion of the HDD design. During bidding and construction, they will respond to bidder questions, prepare change orders, and document the installation of the HDD to ensure compliance with the plans and specifications.

STC’s estimated fee for these services is $119,526.00. Construction of the HDD section of pipe is anticipated to consume three months during the two and a half year-long project.

Fiscal Impact:
The $119,526.00 in required funding is accounted for in the adoption of 2021 and 2022 Capital Budget line item “Transmission Line, Judy – MV Phase 2” with a combined amount
of $32,400,000. Remaining 2020 Capital Budget balances for this project will also be carried forward. The District has received low-interest loans through the Drinking Water State Revolving Fund and Public Works Board to fund a portion of the project.

Attachments:  
- Contract Modification #2  
- STC Scope of Services Overview  
- STC Contract  
- Project Map  
- HDD Plan and Profile Sheet
MODIFICATION TO CONTRACT

STAHELI TRENCHLESS CONSULTANTS

JUDY WTP TO MOUNT VERNON TRANSMISSION PIPELINE PROJECT, PHASE II - HDD DESIGN REVIEW

CONTRACT NO. CP-4385-3549-2717

MODIFICATION NO. 002

PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY (hereinafter the “District”), and

STAHELI TRENCHLESS CONSULTANTS (hereinafter the “Consultant”), in consideration of mutual covenants herein, agree as follows:

EXISTING CONTRACT MODIFIED: The District and the Consultant entered into the Contract for JUDY WTP TO MOUNT VERNON TRANSMISSION PIPELINE PROJECT, PHASE II - HDD DESIGN REVIEW dated February 4, 2020, which has been previously modified, is incorporated herein by this reference. The parties hereby modify that Contract.

MODIFICATIONS TO EXISTING CONTRACT: The Contract is modified in the following respects:

a. Increase scope of services to include HDD re-design services and rates as detailed in the attached Scope of Services dated August 1 & November 2, 2020.

b. Estimated Total Contract Price increase by $119,526.00 for a revised Total Contract Price of $144,321.00

TERMS AND CONDITIONS OF EXISTING CONTRACT REMAIN THE SAME: The parties agree that, except as specifically provided in this modification, the terms and conditions of the Contract continue in full force and effect.

IN WITNESS WHEREOF, this Contract Modification which shall for all purposes be deemed an original hereof, and properly transmitted copies, have been duly executed by the parties hereto.

STAHELI TRENCHLESS CONSULTANTS

Kimberlie Staheli, Ph.D., PE, Principal Engineer

Date __________________________

PUBLIC UTILITY DISTRICT NO. 1
OF SKAGIT COUNTY, WASHINGTON

George Sidhu, P.E., General Manager

Date __________________________
To: Mike Benton, PE  
Project Manager  
Skagit County Public Utility District  
1415 Freeway Drive  
P.O. Box 1436  
Mount Vernon, WA 98273

From: Kimberlie Staheli, Ph.D., P.E.  
Staheli Trenchless Consultants

Subject: Judy Reservoir to Mount Vernon Transmission Pipeline, Phase II  
HDD Re-Design Proposal Scope of Services

Date: August 1, 2020

Dear Mike,

Staheli Trenchless Consultants (STC) has been working with you on providing on-going design review services for the above referenced project. The design review comments provided by STC were based on the 90% Design Drawings and HDD specifications for the HDD portion of the project prepared for Skagit PUD by HDR, Inc. It is our understanding that Skagit PUD has decided not to bid the HDD work according to the HDR design. Further, it is our understanding that Skagit PUD would like to engage STC to perform design services for an alternate design of the horizontal directional drilling (HDD) traversing beneath Nookachamps Creek and shown in HDR Drawings 05C107 and 05C108. STC understands that Skagit PUD will be bidding the project in accordance with the HDR design documents, with the exception of the HDD portion beneath Nookachamps Creek which will be prepared by STC.

STC understands that Skagit PUD is requesting that STC develop a new bore profile along the existing alignment shown in HDR design plan and profile sheets between approximate Stations 91+80 and 111+00. The design criteria include establishing a safety factor of greater than 1.5 for hydrofracture in the Nookachamps Creek and results in estimated drilling fluid releases within 50 feet of the entry location and 200 feet of the exit location.

The new design will be based on an evaluation of the existing geotechnical conditions along the alignment as determined by the site-specific borings. It should be noted that to meet the design criteria, the new bore profile will extend beyond the maximum depth of the project-specific borings; therefore, the design is based on similar soil conditions to those that were identified in the Geotechnical Reports for the Project, as if they continued to the depth of the design alignment. In lieu of this approach, an additional site-specific boring could be conducted to verify the design assumptions. These borings are typically recommended to offset the risks associated with a differing site condition (DSC) claim. However, regional geology and the borings in the immediate vicinity of the HDD indicate the HDD will be in clay soils. Variations in clay properties are not likely to change drilling procedures over the length of the bore that is beyond the depth of the borings. As such, the schedule and cost implications of completing an additional boring likely outweigh the DSC risk on the project. However, if a DSC is filed...
by the contractor, it may be necessary for the District to perform a geotechnical boring during or post construction to determine the existence of a differing site condition.

The design deliverables will include stamped design calculations for inadvertent fluid returns, pipe stresses, and pull loads. STC will not be designing the pipe material; however, calculations will be performed to ensure that the pipe specified in the HDR design documents is of adequate thickness and strength to withstand the design loads with an appropriate safety factor. STC will be providing a stamped HDD specification to govern the construction of the pipeline beneath Nookachamps Creek; however, all other work will be in accordance with the HDR design.

STC has received the following documents upon which this scope is based:

- Project Specification 02350 – Horizontal Directional Drilling
- Skagit County PUD Mark-up to Project Specification 02350

The following scope of services corresponds with the fee estimate that is attached to this document.

**Scope of Services**

**Task 1.0 – Meetings and Contract Management**
This task includes coordination meetings on the design as well as contract management, invoicing, and progress reports. Invoices will be prepared monthly and will include the project status, work completed and work to be completed in the subsequent invoicing cycle.
CONTRACT NO. CP-4385-3549-2717

THIS CONTRACT is made and entered into by and between PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY (Owner/District) and STAHELI TRENCHLESS CONSULTANTS (Consultant) whose names are subscribed hereto.

WITNESSETH:

WHEREAS the Owner has caused the preparation of certain Contract Documents entitled JUDY WTP TO MOUNT VERNON TRANSMISSION PIPELINE PROJECT, PHASE II – HDD DESIGN REVIEW.

WHEREAS the Owner has developed a scope of work, requested a proposal, has received and analyzed said proposals, and has duly given notice of Acceptance of Proposal to the Consultant all of which are made a part hereof and which constitute the whole Contract between the Owner and the Consultant.

NOW, THEREFORE, it is hereby agreed that:

1. The Consultant shall furnish the work, pay all costs, and perform all requirements of this Contract in the manner specified in the attached proposal dated December 4, 2019.

2. The Proposal calls for unit prices and lump sums or time and material pricing set forth in #1 above with a not to exceed price without Owner written approval. The Owner shall pay to the Consultant a total contract amount computed from the unit prices in said Proposal and the actual quantities of units furnished. Based upon the unit prices in the Consultant's Proposal the estimated Total Contract Amount is Twelve Thousand Three Hundred Forty-Five Dollars ($12,345.00).

3. Invoices will be paid by the District to the Consultant within 30 days of receiving monthly invoices based on actual quantities of work performed.

4. The attached Indemnification Agreement is hereby made part of this Contract.

5. Either party hereto may terminate this Contract upon thirty (30) days written notice either personally delivered or mailed postage-prepaid by certified mail, return receipt requested, to the party’s last known address for the purposes of giving notice under this paragraph. If this Contract is so terminated, the parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this Contract prior to the effective date of termination.

6. At no time shall it be construed that the Consultant, in providing trenchless peer review services, is supplanting or supplementing the engineer of record or trenchless engineer in its professional responsibility for the design of the trenchless system for the project.

IN WITNESS WHEREOF, this Contract and properly transmitted copies, which shall for all purposes be deemed an original hereof, have been duly executed by the parties hereto.

STAHELI TRENCHLESS CONSULTANTS

[Signature]
Kimberlie Staheli, Ph.D., PE, Principal Engineer
5405 196th Street SW
Lynnwood, WA 98036

Date 1/23/20

PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY

[Signature]
George Sidhu, P.E., General Manager
Post Office Box 1436, 1415 Freeway Drive
Mount Vernon WA 98273

Date 2/6/20

Judy WTP to Mount Vernon Transmission Pipeline Project
Phase II – HDD Design Review
Contract # CP-4385-3549-2717
January 21, 2020
INDEMNIFICATION AGREEMENT

The Consultant agrees to defend, indemnify, and hold the District harmless from any and all claims, demands, losses, and liabilities to or by third parties arising from, resulting from, or connected with work performed or to be performed under this Contract by the Consultant, its agents, employees, and subconsultants, even though such claims may prove to be false, groundless or fraudulent, to the fullest extent permitted by law and subject to the limitations provided below.

The Consultant's duty to indemnify or defend the District shall not apply to liability for damages arising out of Consultant's services, or out of bodily injury to persons or damage to property caused by or resulting from the sole negligence of the District or the District's agents or employees. The Consultant's duty to indemnify or defend the District for liability for damages arising out of Consultant's services, or out of bodily injury to persons or damage to property caused by or resulting from the concurrent negligence of Consultant, its agents, employees, or subconsultants and/or the District or the District's agents or employees, shall apply only to the extent of negligence of Consultant, its agents, employees, or subconsultants.

With respect to claims against Consultant by the District pursuant to this Contract only, Consultant expressly waives any immunity that may be granted it under the Workers' Compensation, Industrial Insurance or like statutes and/or any administrative regulations issued pursuant thereto. This waiver does not include or extend to any claims by Consultant's employees directly against Consultant.

Further, Consultant's defense and indemnification obligations under this Contract shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable to or for any third party under Workers' Compensation, Industrial Insurance or like statutes and/or any administrative regulations issued pursuant thereto.

Consultant's duty to indemnify the District for liabilities or losses to or by third parties, other than for bodily injury to persons or damage to property, or arising out of Consultant's services, caused by or resulting from negligence, shall apply only to the extent of the fault of Consultant, its agents, employees, or subconsultants, except in situations where fault is not a requirement for liability, in which case indemnity will be provided to the extent the liability or loss was caused by Consultant or its agents, employees, or subconsultants.

Consultant's duty to defend, indemnify and hold the District harmless shall include, as to all claims, demands, losses and liabilities to which it applies, the District's reasonable attorneys' fees and costs incurred in connection with defending such claim(s) including, without limitation, consultant and expert witness fees and expenses and personnel-related costs in addition to costs otherwise recoverable by statute or court rule.

THE UNDERSIGNED HEREBY CERTIFY THAT THIS AGREEMENT WAS MUTUALLY NEGOTIATED.

STAHELI TRENCHLESS CONSULTANTS

By: Kimberlie Stahele, Ph.D., PE, Principal Engineer

Dated: 1/23/20

PUBLIC UTILITY DISTRICT NO. 1
OF SKAGIT COUNTY, WASHINGTON

By: ____________________________

George Sidhu, P.E., General Manager

Dated: 2/4/20

The Consultant shall cause each of its subconsultants (and suppliers to the extent any perform any work on the Project site) to execute an Indemnification Contract substantially in the form of the foregoing by which each such entity or person assumes to the District all obligations Consultant assumes to the District as set forth above.
This map was created from available public records and existing map sources, not from field surveys. While great care was taken in this process, maps from different sources rarely agree as to the precise location of geographic features. The relative positioning of map features to one another results from combining different map sources without field verification.

The PUD #1 of Skagit County disclaims any warranty of merchantability or warranty of fitness of this map for any particular purpose, either expressed or implied. No representation or warranty is made concerning the accuracy, currency, completeness or quality of data depicted on this map. Any user of this map assumes all responsibility for use thereof, and further agrees to hold the PUD #1 of Skagit County harmless from any damage, loss, or liability arising from the use of this map.
November 24, 2020

TO: George Sidhu, P.E., General Manager
FROM: Mark Handzlik, P.E., Engineering Manager

SUBJECT: Judy Reservoir to Mount Vernon Transmission Line Phase 2
Skagit County Interlocal Agreement and Centennial Trail Easement

Requested Action:
Authorize the General Manager to execute an easement and enter into an interlocal agreement with Skagit County for the construction of pedestrian related improvements associated with the East Fork Nookachamps Bridge and Centennial Trail Easement.

Background:
The Judy Reservoir to Mount Vernon Transmission Line Phase 2 project replaces the District’s 24-inch diameter concrete cylinder pipe, built in 1961, with a new 36-inch diameter welded steel transmission line. Through a route study conducted in 2016, a project alignment was selected along the old railroad corridor that parallels State Route 9. This alignment was selected because it allowed the pipe to be constructed in a location that is out of the floodplain and will provide access to the pipe year-round.

Most of the properties along the railroad corridor are owned by the Skagit County and the Parks Department is planning the construction of a multi-use pedestrian non-motorized trail. Furthermore, both the District’s new transmission line and the trail will need to cross the East Fork of Nookachamps Creek in the vicinity of SR9 and Babcock Road.

The District has been working cooperatively with the County where we have a joint interest. To this end, as the District has secured new pipeline easements across private properties, we have also secured necessary trail easements where the County had gaps in its trail corridor ownership. The District has also designed a new bridge across the East Fork Nookachamps Creek to accommodate the new transmission line, and additional improvements will be constructed to allow the County to complete pedestrian improvements.

In exchanged for the District’s efforts the County has offered a full easement along their trail corridor for the placement of the transmission line. Without this the transmission line could not be located out of the floodplain for a substantial portion of the project, rendering it inaccessible for nine months of the year.
The interlocal agreement also states that the District will convey ownership of the bridge to the County at the completion of the project through a bill of sale. Long-term maintenance of the bridge will be performed by the County as stipulated in the easement.

Through the interlocal agreement the County will compensate the District for proportional design and permitting fees related to the pedestrian improvements. The interlocal also provides the County the opportunity to construct the bridge related pedestrian improvements under the District’s construction contract. This additional work is contained in a separate bid schedule that the County may authorize after the bids have opened and before the contract is awarded.

This joint effort is a great example of how agencies working together can create efficiencies through coordinated work.

**Fiscal Impact:**
The funding required for the construction of the bridge is accounted for in the adoption of 2021 and 2022 Capital Budget line item “Transmission Line, Judy – MV Phase 2” with a combined amount of $32,400,000.

The interlocal agreement will require the County to compensate the District in the amount of $142,265 for engineering design services, permitting, and wetland mitigation. In the event the County authorizes pedestrian bridge improvements, the County will also compensate the District actual costs for that work which is estimated to be $429,009. The County will be responsible for the long-term costs of bridge maintenance.

**Attachments:**
- Interlocal Agreement
- Centennial Trail Easement
- Project Map
- Bridge Plan and Profile Sheet
INTERLOCAL COOPERATIVE AGREEMENT
BEWEEN
PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY &
SKAGIT COUNTY
FOR PLACEMENT OF WATER LINE(S) WITHIN CENTENNIAL TRAIL RIGHT-OF-WAY

THIS AGREEMENT ("Agreement") is made and entered into by and between the Public Utility District No. 1 of Skagit County, a Washington municipal corporation (hereinafter referred to as "District"), and Skagit County, a political subdivision of the State of Washington (hereinafter referred to as "County") pursuant to the authority granted by Chapter 39.34 RCW, INTERLOCAL COOPERATION ACT. The District and the County may be individually referred to herein as a "party", and may be collectively referred to herein as the "parties." In consideration of the following terms and conditions, the parties mutually agree as follows:

1. Project Background & Purpose: To allow the District, and the District’s employees, agents, consultants, and contractors, to have access to and use certain County trail right-of-way commonly described as portions of presently unopened Centennial Trail right-of-way (herein the “County trail ROW”), the location of which is more particularly described and depicted at Exhibit “B”, attached hereto and incorporated by reference, for purposes of allowing the District to design, place, construct, use, access, operate, and maintain the District’s “Judy Reservoir to Mount Vernon Transmission Pipeline – Phase 2” Project (herein the “Project”), and upon completion of the Project to also allow the District to design, place, construct, use, operate, relocate and maintain additional line(s) and/or utilities as authorized by Title 54 RCW within the County trail ROW (subject to the terms of a Utility Easement, the substantial form of which is attached hereto as Exhibit “B”, and is hereby incorporated by reference). Except as provided herein to the contrary, all Project work shall be conducted at the sole cost, expense, and liability of the District, and upon completion of the Project, the parties recognize and agree that the County trail ROW may be opened by the County for use by the general public for purposes of a non-motorized public trail (to be known as a portion of Centennial Trail). Additional details concerning the design of the Project are attached hereto as Exhibit “A”, and are hereby incorporated by reference. The District recognizes and agrees that the Project shall be designed, constructed, used, operated, and maintained by the District so as to not impede and to reasonably facilitate the future use of the
County trail ROW by the County and the general public as a public non-motorized trail (upon completion of the Project construction work); provided, the parties recognize and agree that the Project specifically separates out the District’s Transmission Line work via Schedule A of the bid documents, and separate additional work that may be completed by the County (or performed by the District and reimbursed by the County), as described per Section 3., below, and as described per Schedule B of the District’s Project bid documents. Such Schedule B work that may be performed by the County (or performed by the District and reimbursed by the County), as described per Section 3., below), includes certain work and/or improvements related to the wing walls, surfaces, and railing of the East Fork Nookachamps Creek Bridge Crossing portion of the Project, and work related to the public non-motorized trail crossing at State Route 9 (as further described per Exhibit “A”), which will be bid out as separate schedules and may be completed by the County concurrently with the District’s Project (or performed by the District and reimbursed by the County, as described per Section 3.3., below), or may be performed by the County after completion of the District’s Project, depending on the pricing and the County’s available funding. While the County has no formal involvement in the Project except as expressly provided by the terms of this Agreement, the County does generally support the goals and purposes of the Project as laudable public purposes, with public benefit for the Skagit County community as a whole. As such, subject to the terms of this Agreement, and in recognition of the public benefit to be received by the County and the overall Skagit County community as a result of the Project, the County desires to contribute to the Project, pursuant to and subject to the terms of this Agreement. The parties agree that the mutual benefits provided by the terms of this Agreement are adequate consideration for this Agreement, and that but for the terms of this Agreement the County would not have agreed to allow the District to use the County trail ROW for the Project.

2. Responsibilities: The parties to this Agreement mutually agree as follows:

2.1 The District shall perform the following duties and obligations pursuant to the terms of this Agreement (upon and subject to the following conditions):

2.1.1 The District agrees that it shall be responsible and liable for all Project work and activities performed by the District within the County trail ROW, subject to the terms herein. Such Project work and activities to be performed by the District include the design, permitting, construction, management, and implementation of the Project. Upon completion of the Project, the District shall be solely responsible and liable for the future use, maintenance, repair, and operation of the Project, pursuant to the terms herein, with the exception of the future maintenance of East Fork Nookachamps Bridge Crossing structure which will be performed by the County upon completion of the Project work to be performed by the District in accordance with the terms of the Utility Easement, as further described per Exhibit “B”. The District recognizes and agrees that the Project shall be designed, constructed, used, operated, and maintained by the District so as to not impede and to reasonably facilitate the future use of the County trail ROW by the County and the general public as a public non-motorized trail (except for certain work and/or improvements related to the East Fork Nookachamps Creek Bridge Crossing portion of the Project, and work related to the non-motorized trail crossing at State Route 9, as further described per Exhibit “A”). The District agrees that upon completion of the Project construction work, that the County shall have and retain control over the surface of the County trail ROW, including the trail surface of the East Fork Nookachamps Bridge (subject to the terms of the Utility Easement attached hereto as Exhibit “B”), and the public non-motorized trail improvements constructed by the District as part of the Project work, and that the County
(at the County’s sole judgment and discretion) shall have the right (but not an obligation) to construct, place, operate, maintain, and control additional public non-motorized trail improvements within the County trail ROW (including, but not limited to, signs, fences, bollards, gates, parking areas, restroom and/or picnic facilities, etc.).

2.1.2 Except as provided herein to the contrary, the District shall, at its own cost, expense, and liability, perform all Project design, Project bidding and procurement, Project management and work associated with the construction and performance of the Project, and the District shall acquire all permit(s) and/or approvals from all applicable jurisdictions as may be required for the Project. Prior to the commencement of any Project construction work, the District shall timely execute and comply with the terms of a permanent non-exclusive Utility Easement for the Project within the County trail ROW, the substantial form of which is attached hereto as Exhibit “B”, and is hereby incorporated by reference. The Utility Easement shall become effective upon recording with the Skagit County Auditor. The parties shall cooperate with one another to conduct such further acts as may be necessary for the formal execution and recording of the Utility Easement as soon as possible. The terms of the Utility Easement are part of the consideration mutually provided by the parties for this Agreement.

2.1.3 Except for the use of the County trail ROW by the District for Project purposes per the terms of this Agreement, the District shall, at its own cost, expense, and liability, be solely responsible for all real property acquisition related to the Project (including, but not limited to, the acquisition of any additional trail right-of-way and/or easements, to be used for the Project and/or for public trail purposes in coordination with the County). Upon completion, the Project is intended to result in allowing a portion of the County trail ROW generally described as beginning in the vicinity of Gunderson Road (County Road # 06000) and ending at Beaver Lake Road (County Road # 05110), and as more particularly described and defined within the Utility Easement at Exhibit “B”, to be used as a public non-motorized trail right-of-way that will be suitable to the County for use by the general public (once opened by the County, and to be known as a portion of Centennial Trail).

2.1.4 The District shall use best efforts to complete all Project work as soon as reasonably practicable to reasonably minimize interference with the future use of the County trail ROW by the general public (upon completion of the Project). Access to and use of the County trail ROW by the District for the Project shall not unreasonably impair the use of the County trail ROW by County personnel and/or with the ingress or egress to other properties at and in the vicinity of the County trail ROW. The District shall be solely liable for and shall defend, indemnify, and hold the County harmless for any third party claim(s) of alleged damages arising from or related to the Project.

2.1.5 All Project work performed by the District under this Agreement shall be performed in accordance with the permit(s) issued by the County, and in compliance with applicable County Code, County policies, and applicable state and federal law (as now exist or as may be hereafter amended or superseded). The District shall construct and complete the Project consistent with the mutually agreeable Project design (as further described at Exhibit “A”). The County (at the County’s sole judgment and discretion) shall have final approval as to the condition of the County trail ROW after completion of the Project. All survey monuments which are disturbed or displaced by the District in its performance of
any Project work shall be referenced and restored by the District in accordance with applicable laws, rules, and regulations (including, but not limited to WAC 332-120).

2.2 The County shall perform the following duties and obligations pursuant to the terms of this Agreement (upon and subject to the following conditions):

2.2.1 Upon the mutual execution and recording of both this Agreement and the permanent non-exclusive Utility Easement (see, Exhibit “B”) by the parties, the County shall allow the District (and the District’s employees, agents, consultants and/or contractors) to use and access the County trail ROW for all Project purposes (at all reasonable times) including, but not limited to, for the design, construction, and implementation of the Project, as well as for the anticipated future use, maintenance, repair, and operation of the Project improvements and infrastructure constructed and/or placed by the District located at the County trail ROW, pursuant to the terms herein.

2.2.2 The County makes no representations or warranties of any kind or of any nature regarding the Project and/or the County trail ROW, and except as provided by the terms of this Agreement, the County disclaims any interest or involvement in the Project. The District may access and use the County trail ROW for the Project “as is”, without any representations or warranties (express or implied). The Project is not a County project. Subject to the terms herein, the parties agree that the County is not responsible or liable for the design, construction, project management, implementation, maintenance and/or use of the Project.

2.2.3 Unless specifically stated to the contrary in this Agreement, the County is not otherwise obligated to provide any funds, or perform or provide any other services, duties, or responsibilities pursuant to the terms of this Agreement.

3. Manner of Financing: In accordance with the terms of this Agreement, the County shall provide compensation to the District in the amount of one hundred forty-two thousand two hundred sixty-five dollars ($142,265) for direct engineering design, environmental permitting, cultural resource investigations, and wetland impacts associated with the non-motorized public trail improvements incorporated into the Project.

3.1 Additionally, the District shall advertise for bids all Project work identified in Exhibit “A”, including those items listed in Schedule “B” at a currently estimated cost of four hundred twenty nine thousand and nine dollars ($429,009). Upon receipt of said bids by the District, the District shall promptly provide the County with copies of the bids documents received by the District, and the County shall either decide to authorize (or not authorize) the District to award Schedule B work on behalf the County, by the County providing written notice to the District authorizing (or not authorizing) the District to perform said Schedule B work on behalf the County within (5) business days following the County’s receipt of copies of the bids from the District.

3.2 In the event that the County grants the District authorization to award the Schedule B work, the County agrees to contribute and pay the District for the actual total cost of such of work as incurred by the District, including, any authorized change orders and including Washington State Sales Tax. If authorized by the County, such Schedule B work includes certain East Fork Nookachamps Bridge Crossing improvements associated solely with the non-motorized public
trail work to be included within the Project, including, but not limited to, deck, railing and approach wall improvements to meet ADA design parameters associated with the East Fork Nookachamps Creek Bridge Crossing along with other clearing/grubbing and grading for portions of the corridor where the District’s transmission line is not underlying the future trail, as more particularly described in Exhibit “A”, attached hereto and incorporated by reference.

3.3 Upon completion of such authorized Schedule B work by the District, the District shall invoice the County for the actual total cost of such of work as incurred by the District (based on the invoicing received by the District from the District’s contractor for such completed work). The County shall promptly pay said invoices in the ordinary course of business. Upon request by the County, the District shall provide adequate supporting documentation for any and all amounts invoiced to the County. The County is not otherwise obligated to pay or provide any funds to the District for the Project pursuant to the terms of this Agreement, and the District shall otherwise be solely and separately responsible and liable for funding the Project.

4. Term of Agreement: The term of this Agreement shall commence upon the date of mutual execution, and shall continue through the completion of the Project (as shall be mutually determined by the parties), or until December 31, 2024, unless otherwise terminated sooner pursuant to the terms herein.

5. Administration: The following individuals are designated as representatives of the respective parties. The representatives shall be responsible for administration of this Agreement and for coordinating and monitoring performance under this Agreement. In the event such representatives are changed, the party making the change shall notify the other party in writing.

5.1 The County’s representative shall be the Director of the Parks & Recreation Department, or his/her designee.

5.2 The District’s Representative shall be the General Manager, or his/her designee.

6. Use of Documents and Materials Produced: Unless privileged, or otherwise exempt from public disclosure, both parties shall have the right to use and distribute any and all public records, including documents, writings, programs, data, and/or other materials prepared by any party (and/or any party’s contractors, consultants, and/or subcontractors), in connection with performance of this Agreement. Unless privileged or otherwise exempt from public disclosure, the parties recognize and agree that any documents and/or materials arising from and/or related to this Agreement may be subject to public disclosure pursuant to applicable law (including RCW 42.56).

7. Indemnification: Except as specifically provided to the contrary herein, each party agrees to be responsible and assume liability for its own wrongful and/or negligent acts or omissions or those of their officials, officers, agents, employees, and/or volunteers, to the fullest extent required by law, and further agrees to save, indemnify, defend, and hold the other party harmless from any such liability. It is further provided that no liability shall attach to the County or to the District by reason of entering into this Agreement except as expressly provided herein.

8. Limitation of Liability: Any third party having a claim against the District, however arising, shall have recourse only against the District, and shall have no recourse against the
County, its appointed or elected officers, employees, volunteers or its/their assets or credits (subject to the terms of Section 7., herein). Regarding and for purposes of the Project, the District’s insurance shall be primary insurance with respect to the County, its officers, officials, employees, agents, consultants, and volunteers. Any insurance maintained by the County, its officers, officials, employees, consultants, agents, and volunteers shall be in excess of the District’s insurance and shall not contribute with it.

9. Treatment of Assets and Property: Except as may be specifically provided to the contrary herein, no fixed assets or personal or real property will be jointly or cooperatively, acquired, held, or used pursuant to this Agreement. The District shall be and remain solely and separately liable and responsible for the use, maintenance, repair, replacement, and operation of the Project and the District’s infrastructure and facilities located within the County trail ROW (and any other District facilities or infrastructure at or in the vicinity of the Project). Upon completion of the Project construction work, the County shall have and retain ownership and control over the surface of the County trail ROW and of the public non-motorized trail improvements constructed by the District as part of the Project work, and that the County (at the County’s sole judgment and discretion) shall have the right (but not an obligation) to construct, place, operate, maintain, and control additional public non-motorized trail improvements within the County trail ROW (including, but not limited to, signs, fences, bollards, gates, parking areas, restroom and/or picnic facilities, etc.). The parties agree that in addition to the Project improvements placed by the District within the County trail ROW, the County may also allow for other third party utilities and/or improvements to be placed within the County trail right ROW, so long as such other utilities and/or improvements do not unreasonably interfere with the District’s Project improvements located within the County trail ROW.

10. Compliance with Laws, Permits, and Terms of Grant(s): The parties to this Agreement shall comply with all applicable federal, state, and local laws, rules, and regulations in carrying out the terms and conditions of this Agreement. If applicable, compliance with laws shall specifically include, but not be limited to, compliance with laws pertaining to the payment of prevailing wage on public works (including, but not necessarily limited to RCW 39.12). If applicable, compliance with laws shall also specifically include, but not be limited to, compliance with laws for the procurement of contracts for architectural and engineering services (including, but not necessarily limited to RCW 39.80). As necessary, the District shall obtain and comply with all necessary permits and approvals from all applicable jurisdictions prior to commencing any Project work related to this Agreement. The District shall also comply with all terms and conditions of all grant(s) related to the Project, and the District party shall be responsible and liable for compliance with all terms and conditions of any Project permit(s), approval(s) and/or grant(s) obtained or procured by the District.

11. Changes, Modifications, Amendments and Waivers: The Agreement may be changed, modified, amended or waived only by subsequent written agreement duly executed by the parties hereto. Waiver or breach of any term or condition of this Agreement shall not be considered a waiver of any prior or subsequent breach.

12. Severability: In the event any term or condition of this Agreement or application thereof to any person or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications of this Agreement which can be given effect without the invalid term, condition, or application. To this end the terms and conditions of this Agreement are declared severable. The terms of this Agreement do not replace, substitute, modify, alter, or amend
the terms of the franchise agreement between the parties (Skagit County Contract # 14720, dated January 20, 1993), which shall continue in full force and effect.

13. No Partnership or Joint Venture: No partnership and/or joint venture exists between the District and the County, and no partnership and/or joint venture is created by and between the District and the County by virtue of this Agreement. No agent, employee, contractor, subcontractor, consultant, volunteer, or other representative of the parties shall be deemed an agent, employee, contractor, subcontractor, consultant, volunteer, or other representative of the other party.

14. No Third Party Beneficiaries: This Agreement is not intended to nor does it create any third party beneficiary or other rights in any third person or party, including, but not limited to, property owners and/or residents at or in the vicinity of the Project, the general public, any other organization or entity, or any agent, contractor, subcontractor, consultant, volunteer, or other representative of either party.

15. Entire Agreement: This Agreement contains all the terms and conditions agreed upon by the parties. All items incorporated herein by reference are attached. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto.

16. Default: Failure of the parties to comply with the terms of this Agreement shall constitute default. The parties shall have all remedies for the enforcement of this Agreement as provided by law.

17. Venue and Choice of Law: In the event that any litigation should arise concerning the construction or interpretation of any of the terms of this Agreement, the venue of such action of litigation shall be in the Superior Court of the State of Washington in and for the County of Snohomish or the County of Whatcom. This Agreement shall be governed by the laws of the State of Washington.

18. Captions & Counterparts: The captions in this Agreement are for convenience and reference only and do not define, limit, or describe the scope or intent of this Agreement. This Agreement may be executed in any number of counterparts, and each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement.

19. Neutral Authorship: Each of the terms and provisions of this Agreement have been reviewed and negotiated, and represents the combined work product of the parties hereto. No presumption or other rules of construction which would interpret the provisions of this Agreement in favor of or against the party preparing the same shall be applicable in connection with the construction or interpretation of any of the provisions of this Agreement. The parties represent that they have had a full and fair opportunity to seek legal advice with respect to the terms of this Agreement and have either done so, or have voluntarily chosen not to do so. The parties represent and warrant that they have fully read this Agreement, that they understand its meaning and effect, and that they enter into this Agreement with full knowledge of its terms. The parties have entered into this Agreement without duress or undue influence.
20. Survival: The terms of Sections 7. and 8. of this Agreement shall survive, notwithstanding the withdrawal from, termination, or invalidity of this Agreement.

21. Termination: Prior to award of a bid for the Project by the District, either party hereto may terminate this Agreement upon providing thirty (30) days' notice in writing either personally delivered or mailed postage-prepaid by certified mail, return receipt requested, to the party's last known address for the purposes of giving notice under this paragraph. If this Agreement is so terminated, the parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.

PUBLIC UTILITY DISTRICT No. 1 of Skagit County ("District"):  
DATED this _____ day of ____________, 2020.

By: __________________________________
George Sidhu, P.E.,
General Manager

STATE OF WASHINGTON  
COUNTY OF SKAGIT  
ss.

I certify that I know or have satisfactory evidence that George Sidhu, P.E., is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was duly authorized execute the instrument and acknowledged it as Interim General Manager of the Public Utility District No. 1 of Skagit County, a Washington municipal corporation, to be the free and voluntary act of such party for the uses and purposes herein mentioned.

DATED this _____ day of ____________, 2020.

(SEAL)

Notary Public
print name: _______________________
Residing at _______________________
My commission expires ______________

8
DATED this _____ day of _______________, 2020.

BOARD OF COUNTY COMMISSIONERS
SKAGIT COUNTY, WASHINGTON

__________________________
Ron Wesen, Chair

__________________________
Kenneth A. Dahlstedt, Commissioner

Attest:
__________________________
Lisa Janicki, Commissioner

Clerk of the Board

__________________________
For contracts under $5,000:
Authorization per Resolution  R20030146

Recommended:
__________________________
County Administrator

Department Head

Approved as to form:

__________________________
Civil Deputy Prosecuting Attorney

Approved as to indemnification:

__________________________
Risk Manager

Approved as to budget:

__________________________
Budget & Finance Director
STATE OF WASHINGTON
COUNTY OF SKAGIT  

I certify that I know or have satisfactory evidence that Ron Wesen, Kenneth A. Dahlstedt, and/or Lisa Janicki is/are the person(s) who appeared before me, and said person(s) acknowledged that she/he/they signed this instrument, on oath stated that she/he/they was/were authorized execute the instrument and acknowledged it as Commissioner(s) of Skagit County, to be the free and voluntary act of such party for the uses and purposes herein mentioned.

DATED this _____ day of ________________, 2020.

(SEAL) ________________________________
Notary Public
print name:______________________________
Residing at ____________________________
My commission expires ________________
Bid Schedule A (District Transmission Line) Project Work includes the following:
Installation of water transmission and distribution piping and services within right-of-way and private property within the city of Mount Vernon and unincorporated Skagit County.
The water transmission pipeline is 36 inches in diameter and is approximately 5.3 miles long.
The Work will consist of the following elements:
Layout and staking of all features under this Contract.
Clearing and grubbing of the corridor.
Mobilization and preparation of site and supporting utilities for Contactor and District field office facilities. Includes removal of facilities and restoration of property.
Removal of structures.
Installation, maintenance, and removal of temporary erosion control measures.
Installation and removal of temporary bypass systems for streams.
Potholing of existing utilities.
Installation and maintenance of temporary traffic control measures.
Installation of approximately 5.3 miles of 36-inch-diameter water transmission pipeline. Of the approximately 5.3 miles of water transmission pipeline:
Approximately 23,590 linear feet of 36-inch-diameter welded steel pipe and fittings (cement mortar lined and polyurethane coated) installed by open trench construction.
Approximately 2,060 linear feet of 36-inch-diameter welded steel pipe and fittings (polyurethane lined and coated) installed by open trench construction.
Approximately 1,920 linear feet of 36-inch-diameter welded steel pipe (polyurethane lined and coated) installed by horizontal directional drilling under the Nookachamps Creek.
Approximately 230 linear feet of 36-inch-diameter welded steel pipe and fittings (polyurethane lined and coated) installed under the bridge for the East Fork Nookachamps Creek crossing.
Approximately 150 linear feet of 36-inch-diameter welded steel pipe (cement mortar lined and polyurethane coated) installed within a 48-inch-diameter steel casing installed by bored and jacked casing methods under State Route 9.
Design and installation of dewatering and treatment systems to allow open trenching and pipe installation.
Handling of surface water.
Special crossings of roadways including bored and jacked cased crossings of State Route (SR) 9 and phased open cut crossing of SR 538.
Approximately 75 linear feet of 8-inch-diameter ductile iron pipe installed within an 18-inch-diameter steel casing installed by bored and jacked casing methods under State Route 9.
Approximately 150 linear feet of 36-inch-diameter welded steel pipe (cement mortar lined and polyurethane coated) installed within a 48-inch-diameter steel casing installed by bored and jacked casing methods under State Route 9.
Approximately 190 linear feet of 36-inch-diameter welded steel pipe (cement mortar lined and polyurethane coated) installed by open cut construction under State Route 9.
Special crossing of Stream A involving a temporary stream bypass, the installation of a fish passable precast concrete box culvert.

Special crossing of Clear Lake Tributary involving a stream bypass and open trench construction.

Special crossing of the East Fork Nookachamps Creek constructing a new 220 lineal foot single span steel truss bridge.

Tapping into finished water line and installation of two (2) 36-inch-diameter flow meters in vaults, and associated electrical and SCADA at the Judy Reservoir Water Treatment Plant.

Installation of a 4-inch-diameter fiber optic conduit and handholes for the entire alignment of the 36-inch-diameter water transmission pipeline, including an approximate 1,930-foot-long HDD of the Nookachamps Creek.

Installation of new water distribution lines and pressure reducing valve stations.

Repair or replacement of existing water services.

Connections to the District’s existing water distribution lines and services along the alignment.

Installation of pipeline appurtenances, including isolation valves, air valves, drains, manway access, anchor blocks, trench plugs, and drain pipes.

Installation of cathodic protection system with rectifier and deep well anode bed.

Flushing, disinfection, and pressure testing.

Protection of existing utilities.

Protection of existing 24-inch-diameter water transmission pipeline during construction.

Abandonment of existing 24-inch-diameter water transmission pipeline.

Pavement restoration.

Construction of approximately 2.3 miles of Service Road along pipeline including grading and installation of storm culverts and drain piping.

Restoration of streams and riparian vegetation.

Wetland restoration including plantings.

Property restoration of various impacted parcels including landscaping, fence replacement, landscape gravity block wall construction, and asphalt/concrete surfacing.

Decommissioning of existing groundwater monitoring wells.

Watering and maintenance of the planting and other vegetation during the Warranty Period.

And other work as defined in the Contract Documents.

Temporary relocation of overhead communication cables and poles at East Fork Nookachamps Creek to allow construction of the bridge. This will be completed before the contractor mobilizes.

De-energizing and re-energizing of PSE overhead power during construction in vicinity of Fox Road to be completed by PSE. Relocating of guy wires if required in vicinity of Fox Road to be completed by PSE. Contractor required to coordinate with PSE, and PSE to bill the District directly for PSE costs.

Cooperate and coordinate with all agencies, trades, and contractors involved in the execution of these as well as work of others not listed but requiring coordination.

Placement of bituminous surface treatment at pipeline crossing of Skagit County roads.
Bid Schedule B (County’s Bridge/Trail Improvement) Project Work includes the following (if authorized by the C):

ITEM 1. MOBILIZATION (SCHEDULE B WORK ONLY)

ITEM 2. CLEARING, GRUBBING AND STRIPPING WITHIN DESIGNATED CLEARING LIMITS - STATION 598+00 TO STA 623+95.54 (CONTINUATION OF FUTURE CENTENNIAL TRAIL UPTO BEAVER LAKE RD.)

ITEM 3. FURNISH AND INSTALL PRECAST BRIDGE DECK AND ANCHORAGE

ITEM 4. FURNISH AND INSTALL PRECAST BRIDGE RAILING AND APPROACH RAILINGS

ITEM 5. FURNISH AND INSTALL PRECAST APPROACH WALLS AND BACKFILL

ITEM 6. FINE GRADING AND FILLING – STATION 568+00 TO STATION 583+50 (WHERE TRAIL DEVIATES FROM TRANSMISSION LINE)

ITEM 7. FINE GRADING AND FILLING – STATION 598+00 TO STATION 623+95.54 (CONTINUATION OF FUTURE CENTENNIAL TRAIL UPTO BEAVER LAKE RD.)

ITEM 8. FURNISH & INSTALL LOCKABLE/REMOVEABLE BOLLARDS

Note that the graveled surfaces associated with the final pedestrian trail as permitted and designed per Skagit County’s stormwater code have not been included in Schedule B to keep the overall costs to a minimum. This leaves the option for Skagit County Public Works crews to self-perform this work at a later date.

The benefit of this effort for the Skagit County taxpayers are the costs associated with avoiding redundant efforts in long lead environmental permitting, design, contract administration and the dual purpose (Transmission Line & Pedestrian Crossing) superstructure of the E. Fork Nookachamps bridge for this portion of the future Centennial Trail improvements.

The benefit of this effort for the District’s ratepayers is the use of the higher elevation former RR grade and future Centennial Trail to provide maintenance access to the new 36-inch water transmission line in areas that are surrounded by backed up surface/groundwater.
Exhibit “B”
Upon Recording Return To:
Skagit County
Parks & Recreation Department
Attn: Brian Adams, Director
1730 Continental Place
Mount Vernon, WA 98273

DOCUMENT TITLE: UTILITY EASEMENT

REFERENCE NUMBER OF RELATED DOCUMENT: Not Applicable

GRANTOR(S): Skagit County, a political subdivision of the State of Washington.

GRANTEE(S): Public Utility District No. 1 of Skagit County, a Washington municipal corporation.

ASSESSOR'S TAX / PARCEL NUMBER(S): P109241 (XrefID: 340414-2-001-0207); P24693 (XrefID: 340414-0-001-0108); P24540 (XrefID: 340411-4-005-0000); P24500 (XrefID: 340411-4-001-0101) & P109916 (XrefID: 340412-3-018-0300)

ABBREVIATED LEGAL DESCRIPTION: PTN W ½ SEC 14, S ½ SEC 11 and the W ½ and NE ¼ of SEC 12, T 34N, R 04E W.M. Situate in the County of Skagit, State of Washington.

UTILITY EASEMENT

The undersigned, Skagit County, a political subdivision of the State of Washington (“Grantor”), for good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, hereby grants to Public Utility District No. 1 of Skagit County, a Washington municipal corporation (“Grantee”), a permanent, perpetual, non-exclusive utility easement (“Easement”), as provided herein. Grantor and Grantee may be individually referred to herein as a “party”, and may be collectively referred to herein as the “parties.” The terms of this Easement are further provided as follows:
1. Nature and Location of Easement. The Easement hereby granted by Grantor herein shall be a permanent, perpetual, non-exclusive, utility easement that includes all utilities as authorized by Title 54 RCW, as currently enacted, and as may be subsequently amended (specifically including, but not necessarily limited to, water lines and fiber optic lines) for the benefit of Grantee, over, upon, across, through, a portion of real property located within and upon Grantor’s Property, such Easement area is coincident with Grantor’s property as legally described on Exhibit “A” and as further described and depicted on Exhibit “B”, attached hereto and incorporated herein by this reference, for the purpose of providing a partial route for the placement, installation, use, maintenance, and operation of underground water lines, fiber optic lines, other utilities as authorized by Title 54 RCW, and related equipment and appurtenances thereto owned by Grantee (herein “Grantee’s facilities”). A legal description for the Grantor’s Property and Easement area is attached hereto as Exhibit “A”, and is hereby incorporated by reference. The Easement and the covenants, terms, and conditions contained herein are perpetual in duration, and shall run with the Grantor’s Property and shall be binding upon Grantee and Grantor and each party’s respective successors.

2. Use of Easement. The Grantee (including Grantee’s employees, agents, contractors, successors and/or assigns) shall have the perpetual right, privilege, and authority, to construct, operate, use, and maintain all utilities as authorized by Title 54 RCW, as currently enacted, and as may be subsequently amended (specifically including, but not necessarily limited to, water lines and fiber optic lines) within the Easement area on Grantor’s property, as provided herein. Such right includes the right to construct, operate, maintain, inspect, improve, remove, restore, alter, replace, change the size of, relocate, connect to and locate at any time pipes, lines or related facilities, along with necessary appurtenances thereto, upon the Grantor’s Property within the Easement area (as described and depicted in Exhibit “A” and Exhibit “B”), subject to the terms of this Easement. Grantee shall not have the right to exclude Grantor, the general public, and/or third parties the Easement area or from the Grantor’s Property (without the revocable written permission of Grantor). Grantee shall not unreasonably interfere with the Grantor’s use of the Grantor’s Property (including, but not limited to, Grantor’s use of the property located within the Easement area), and Grantor reserves the right to use the Grantor’s Property (including the Easement area) for all lawful purposes including, but not necessarily limited to, use of the Easement area as a public non-motorized trail, and Grantee’s use of the Easement area shall not unreasonably interfere with Grantor’s use of the Easement area. Grantee accepts use of the Easement area on Grantor’s property “as is”, without any representations or warranties from Grantor whatsoever (express or implied). The Grantee shall defend, indemnify, and hold the County harmless for all past and future liabilities associated with the Grantor providing this Easement to Grantee (specifically including, but not limited to, alleged third party takings claims and/or inverse condemnation claims, etc.), and Grantee specifically acknowledges and accepts the risk of any and all such possible
claims. The Grantee agrees that use of this Easement by Grantee shall be at the sole risk of the Grantee.

2.1 All of Grantee’s facilities to be placed within the Easement area shall be placed underground, and no above-ground utilities will be allowed to be placed within the Easement area by Grantee, with the exception of the aerial /pedestrian East Fork Nookachamps [(EFN)bridge] segment crossing over the E. Fork of Nookachamps Creek (the “East Nookachamps Crossing”) to which the Grantee’s infrastructure attached to said East Nookachamps Crossing will have the right to be placed, used, operated, and maintained by Grantee for the perpetual duration of this Easement, along with normal above ground water related appurtenances such as air/vacuum relief valves, permanent water quality or cathodic protection test stations, and any necessary electrical and/or supervisory control and data acquisition (SCADA) panels. In carrying out any authorized activities under the privileges granted herein, Grantee shall meet and comply with all accepted industry standards and comply with all applicable laws, rules, and regulations, standards, and policies of any governmental entity with jurisdiction over the Easement area (including, but not limited to, Grantor). Without limiting the foregoing, Grantee shall operate, maintain, inspect, and test Grantee’s facilities within the Easement area in full compliance with all applicable federal, state, and local laws, rules, regulations, and industry standards, and shall otherwise be placed to the reasonable satisfaction of Grantor. The parties shall each exercise all best reasonable efforts to coordinate any construction work that either may undertake within the Easement area so as to promote the orderly and expeditious performance and completion of such work as a whole. Such efforts shall include, at a minimum, reasonable and diligent efforts to keep the other party and other utilities (if any) within the Easement area informed of its intent to undertake such construction work. The parties shall further exercise best reasonable efforts to minimize any delay or hindrance to any construction work undertaken by the parties and/or other utilities (if any) within the Easement area.

2.2 Grantee agrees to be responsible and liable for any damages or impact to Grantor’s Property arising from Grantee’s use of the Easement, and upon the request of Grantor, the Grantee shall repair and restore the Grantor’s Property to a substantially similar condition as existed before Grantee entered onto the Grantor’s Property for the purposes described in this Easement. Prior to the commencement of any work within the Easement area, the Grantee shall coordinate with Grantor to avoid any disturbance, impact, or damage to facilities owned by Grantor at or within the Easement area (including, but not limited to, utilities, equipment, and other real or personal property owned and/or used by Grantor). Any work performed within the Easement area by Grantee shall be performed so as not to unreasonably interfere with and to minimize the disturbance of the free passage of public pedestrian and/or non-motorized vehicle traffic therein, or with reasonable ingress or egress to Grantor’s Property and/or other properties within the vicinity of the Easement area.
2.3 Grantor agrees to maintain, at the Grantor’s cost, the aerial /pedestrian East Fork Nookachamps [EFN] bridge crossing over the E. Fork of Nookachamps Creek (the East Fork Nookachamps Creek Crossing) in a serviceable condition that is sufficient to support the loading created by the Grantee’s infrastructure at the East Fork Nookachamps Creek Crossing while such infrastructure in operation by Grantee. Such use of the East Fork Nookachamps Creek Crossing by Grantee shall generally have priority over the County’s use of the East Fork Nookachamps Bridge Crossing for public non-motorized trail purposes.

3. Hold Harmless, Defense, & Indemnification. The Grantee hereby unconditionally releases and forever discharges and holds harmless the Grantor (including the Grantor’s elected officials, employees, volunteers, officers, and/or agents in both their official and individual capacities) from any and all past, present, and/or future claims, counterclaims, demands, judgments, debts, costs, liabilities, expenses, suits, and proceedings of any kind and nature, as arising from and/or related to the Grantee’s use of the Easement. The Grantee agrees to be responsible for and to assume liability for Grantee’s own wrongful and/or negligent acts or omissions or those of Grantee’s officials, officers, agents, contractors, or employees to the fullest extent required by law, and further agrees to save, indemnify, defend, and hold the Grantor harmless from any such liability. It is further provided that no liability shall attach to the Grantor by reason of entering into this Easement agreement except as expressly provided herein. The terms of this section shall survive any termination of this Easement, and shall continue in full force and effect.

3.1 The Grantee shall at Grantee’s own sole and separate cost, expense, and liability, comply with all hazardous waste laws, rules, and regulations and shall treat, store, dispose of or otherwise handle hazardous substances in a safe and proper manner and the Grantee shall not allow or cause any hazardous, toxic or petroleum materials to be released, disposed of, or discharged on any portion of the Grantor’s Property. The term “hazardous substance”, “hazardous waste”, or “hazardous material” shall specifically include, but shall not be limited to petroleum and petroleum products and their by-products, residue, and remainder in whatever form or state, and any other material or substance which does cause or may cause environmental pollution or contamination (and associated liability and clean-up costs related thereto) as defined under applicable state and federal laws, rules, and regulations. The Grantee shall be solely and separately liable responsible for the remediation of any hazardous materials that are spilled, released, or discharged on or about the Grantor’s Property that are caused by the actions, activities, or omissions of the Grantee, the Grantee’s employee(s), Grantee’s contractor(s), and/or Grantee’s agent(s). Grantee shall indemnify, defend and hold the Grantor harmless from any fines, suits, procedures, claims, costs, damages, expense, and actions of any kind arising out of or in
any way connected with any releases, spills or discharges of hazardous substances or
waste at the Grantor’s Property that are caused by the actions, activities, or omissions of
the Grantee, the Grantee’s employee(s), Grantee’s contractor(s), and/or Grantee’s
agent(s). This indemnity includes, but is not limited to: (a) liability for a governmental
agency’s (including but not limited to, the Grantor’s) costs of removal or remedial action for
hazardous substances; (b) damages to natural resources caused by hazardous
substances, including the reasonable costs of assessing such damages; (c) liability for any
other person’s costs of responding to hazardous substances; and (d) liability for any costs
of investigation, abatement, mitigation, correction, cleanup, fines, penalties, or other
damages arising under any environmental laws.

4. Limitation of Liability: Any party having a claim against the Grantee, arising
from and/or related to this Easement, however arising, shall have recourse only to the extent
of assets and property of the Grantee, and shall have no recourse against the Grantor, its
appointed or elected officers, employees, volunteers or its/their assets or credits.

5. Governing Law; Venue: This Easement shall be construed under the laws of
the State of Washington. It is agreed by the parties that the venue for any legal action
brought under or relating to this Easement shall be in the Superior Court of the State of
Washington in and for the County of Snohomish.

6. Compliance with Laws and Permits: Grantee shall, (at Grantee’s own expense
and liability), comply with all applicable federal, state, and local laws, rules, and regulations
in carrying out the terms and conditions of this Easement agreement. As necessary, the
Grantee (at the Grantee’s own expense and liability) shall obtain and comply with all
necessary permits and/or approvals from all applicable jurisdictions prior to commencing
any work within the Easement area, and the Grantee shall be solely and separately
responsible and liable for compliance with all terms and conditions of any such approval(s)
and/or permit(s) obtained or procured by Grantee.

6.1 The parties recognize and agree that any documents and materials provided
to Grantor by Grantee arising from and/or related to this Easement agreement may be subject
to public disclosure pursuant to applicable law (including RCW 42.56).

7. No Third Party Beneficiaries: This Easement is not intended to nor does
it create any third party beneficiary or other rights in any third person or party, including, but
not limited to, the general public, third party property owner(s) and tenant(s) at or in the
vicinity of the Easement area, any other organization or entity, or any agent, contractor,
subcontractor, consultant, employee, volunteer, or other representative of any party.
Grantee shall defend, indemnify, and hold the Grantor harmless from any third party claims
and/or damages incurred by the Grantor arising from or related to Grantee’s use of this
Easement.
8. **Assignment:** This Easement may only be assigned, contracted, and/or transferred to any other individual, firm, company, party, and/or other entity by Grantee with the express and duly authorized prior written approval of the Grantor (and such approval shall not be unreasonably withheld). Grantor may assign or transfer this Easement without the consent of Grantee. In the event that this Easement agreement is assigned, contracted, and/or transferred by the Grantee (with the prior written consent of the Grantor) to any other person, firm, company, and/or other entity, the Grantee shall remain liable and responsible for the performance of such portion of this Agreement which was assigned, contracted, and/or transferred to any other individual, firm, company, and/or other entity. This Easement does not allow or provide for the placement facilities not owned, operated, and maintained by Grantee.

10. **Treatment of Assets and Property:** Except as provided herein to the contrary, no fixed assets will be jointly or cooperatively, acquired, held, or disposed of pursuant to this Agreement. Grantor shall not be responsible or liable for the design, construction, implementation, operation, maintenance, use, repair and/or management of Grantee’s facilities at, within, or in the vicinity of the Easement area.

11. **Default:** Failure of the parties to comply with the terms of this Agreement shall constitute default. The parties shall have all remedies for the enforcement of this Agreement as provided by the terms of this Easement and as provided by law, including, but not limited to, specific performance of the terms of this Easement and/or termination of this Easement (as provided herein). No provision of this Easement shall be deemed to bar the right of the Grantor to seek or obtain judicial relief from a violation of any provision of the Easement. Neither the existence of other remedies identified in this Easement nor the exercise thereof shall be deemed to bar or otherwise limit the right of the Grantor to recover monetary damages for such violations by the Grantee, and/or to seek and obtain judicial enforcement of the Grantee’s obligations by means of specific performance, injunctive relief or mandate, or any other remedy at law or in equity. Time is specifically declared to be of the essence of this Easement and of all acts required to be done and performed by the parties hereto.

12. **Changes, Modifications, Amendments and Waivers:** The Easement may be changed, modified, amended or waived only by written subsequent agreement duly executed by the parties hereto. Waiver or breach of any term or condition of this Easement shall not be considered a waiver of any prior or subsequent breach.

15. **Severability:** In the event any term or condition of this Easement or application thereof to any person or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications of this Easement which can be given effect without the invalid term, condition, or application. To this extent and end the terms and conditions of this Easement are declared severable.
16. **Status of Agreement:** This Easement agreement is in addition to, and is not intended to replace, substitute, modify, or otherwise amend any other agreement(s) by and between the parties, specifically including, but not limited to, a franchise agreement dated January 20, 1993 (recorded under Auditor’s File No.: 9305180070), and this Easement is not subject to the terms of said franchise agreement. Any other agreements by and between the parties shall continue in full force and effect.

17. **No Partnership or Joint Venture:** No partnership and/or joint venture exists between the parties, and no partnership and/or joint venture is created by and between the parties by virtue of this Agreement. No agent, employee, contractor, subcontractor, consultant, volunteer, or other representative of the parties shall be deemed an agent, employee, contractor, subcontractor, consultant, volunteer, or other representative of the other party.

18. **Captions & Counterparts:** The captions in this Easement are for convenience and reference only and do not define, limit, or describe the scope or intent of this Easement. This Easement may be executed in any number of counterparts, and each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement.

19. **Neutral Authorship:** Each of the terms and provisions of this Easement have been reviewed and negotiated, and represents the combined work product of the parties hereto. No presumption or other rules of construction which would interpret the provisions of this Easement in favor of or against the party preparing the same shall be applicable in connection with the construction or interpretation of any of the provisions of this Easement. The parties represent that they have had a full and fair opportunity to seek legal advice with respect to the terms of this Easement and have either done so, or have voluntarily chosen not to do so. Grantor (Skagit County) does not represent Grantee. The parties represent and warrant that they have fully read this Easement, that they understand its meaning and effect, and that they enter into this Easement with full knowledge of its terms. The parties have entered into this Easement without duress or undue influence.

20. **Entire Agreement:** This Easement contains all the terms and conditions mutually agreed upon by the parties. This Easement supersedes any prior oral statements, discussions, and/or understandings between the parties. All items incorporated herein by reference are attached. No other understandings, oral or otherwise, regarding the subject matter of this Easement shall be deemed to exist or to bind any of the parties hereto.

21. **Recording:** Upon mutual execution, this Easement shall be recorded with the Skagit County Auditor, and shall become effective immediately upon recording.
GRANTEE:

DATED this ______ day of ______________________________, 2020.

Public Utility District No. 1 of Skagit County, a Washington municipal corporation.

By: _____________________________
Print name: _____________________________
 Its: _____________________________

STATE OF WASHINGTON  
COUNTY OF SKAGIT  
 ss.

I certify that I know or have satisfactory evidence that _____________________________, is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was duly authorized execute the instrument and acknowledged it as the _____________________________ of Public Utility District No. 1 of Skagit County, a Washington municipal corporation, to be the free and voluntary act of such party for the uses and purposes herein mentioned.

DATED this _____ day of _________________, 2020.

(SEAL)

Notary Public
Print name: _____________________________
Residing at: _____________________________
My appointment expires: _____________________________
GRANTOR:

DATED this _____ day of _______________, 2020.

BOARD OF COUNTY COMMISSIONERS
SKAGIT COUNTY, WASHINGTON

__________________________
Ron Wesen, Chair

__________________________
Kenneth A. Dahlstedt, Commissioner

Attest: _______________________
Lisa Janicki, Commissioner

__________________________
Clerk of the Board

Authorization per Resolution R20160001:

Recommended: _______________________
County Administrator

__________________________
Department Head

Approved as to form:

__________________________
Civil Deputy Prosecuting Attorney

Approved as to indemnification:

__________________________
Risk Manager

Approved as to budget:

__________________________
Budget & Finance Director
STATE OF WASHINGTON
COUNTY OF SKAGIT

I certify that I know or have satisfactory evidence that Ron Wesen, Kenneth A. Dahlstedt, and/or Lisa Janicki is/are the person(s) who appeared before me, and said person(s) acknowledged that she/he/they signed this instrument, on oath stated that she/he/they was/were authorized execute the instrument and acknowledged it as Commissioner(s) of Skagit County, to be the free and voluntary act of such party for the uses and purposes herein mentioned.

DATED this _____ day of ________________, 2020.

(SEAL)

Notary Public
Print name: _____________________________
Residing at: _____________________________
My appointment expires: ___________________
EXHIBIT “A”

EASEMENT AREA LEGAL DESCRIPTION
EXHIBIT ‘A’

SKAGIT COUNTY PROPERTY DESCRIPTIONS

P109241 – XREF ID (340414-2-001-0207)

PARCEL “A"
THE WESTERLY 1/2 OF THAT CERTAIN 100 FOOT WIDE STRIP OF LAND CONVEYED TO THE SEATTLE LAKE SHORE AND EASTERN RAILWAY COMPANY BY DEED DATED APRIL 4, 1890, AND RECORDED JULY 13, 1890, IN VOLUME 10 OF DEEDS, PAGE 651, RECORDS OF SKAGIT COUNTY, WASHINGTON, BEING A PORTION OF THE NORTHWEST 1/4 OF SECTION 14, TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M.; EXCEPT THAT PORTION THEREOF CONVEYED TO RAYMOND SUNDSTROM AND VICKI M. TISDEL, HUSBAND AND WIFE, BY DEED RECORDED NOVEMBER 20, 2007 AS AUDITOR’S FILE NUMBER NO. 200711200139.

PARCEL “B"

PARCEL “C"
THOSE TWO FIFTY FOOT BY FIFTEEN HUNDRED FOOT STRIPS OF LAND CONVEYED TO THE SEATTLE LAKE SHORE AND EASTERN RAILWAY COMPANY BY DEEDS DATED APRIL 4, 1890, AND RECORDED JULY 13, 1890, AND JULY 25, 1890, IN VOLUME 10 OF DEEDS, PAGES 653 AND 759, RECORDS OF SKAGIT COUNTY, WASHINGTON, BEING PORTIONS OF THE NORTHWEST 1/4 OF SECTION 14, TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M..

PARCEL “D"
THE WESTERLY 1/2 OF THAT PORTION OF THAT CERTAIN 100 FOOT WIDE STRIP OF LAND CONVEYED TO THE SEATTLE LAKE SHORE AND EASTERN RAILWAY COMPANY BY DEED DATED JULY 17, 1891, AND RECORDED JULY 25, 1891, AS AUDITOR’S FILE NO. 3823, IN VOLUME 20 OF DEEDS, PAGE 504, RECORDS OF SKAGIT COUNTY, WASHINGTON, LYING WITHIN THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 14 TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M..
Agenda Item #9

P24540 – XREF ID (340411-4-005-0000)

PARCEL “A”
The right-of-way of the Puget Sound and Cascade Railway Company as established by deed recorded July 23, 1917 as Auditor’s File No. 120194 in Volume 107 of Deeds, Page 233, Records of Skagit County, Washington being a portion of the southeast 1/4 of Section 11, Township 34 North, Range 4 East, W.M.; except any portion thereof lying easterly of the west 390 feet of the northeast 1/4 of said southeast 1/4; also except those portions thereof, if any, lying within the rights-of-way of State Highway No. 9;

Together with the northerly 1/2 of the Seattle Lake Shore and Eastern Railway right-of-way established by deed recorded June 2, 1890 in Volume 10 of Deeds, Page 577, abutting and appurtenant to the above described right-of-way; also except those portions thereof, if any, lying within the rights-of-way of State Highway No. 9.

P24500 – XREF ID (340411-4-001-0101)

PARCEL “B”
The southerly 1/2 of the Seattle Lake Shore and Eastern Railway right-of-way established by deed recorded June 2, 1890 in Volume 10 of Deeds, Page 577, being a portion of the southeast 1/4 of Section 11, Township 34 North, Range 4 East, W.M.; except those portions thereof, if any, lying within the rights-of-way of State Highway No. 9; also except that portion thereof lying easterly of the east line of the west 693 feet of the east 1,188 feet of said southeast 1/4.

P109916 – XREF ID (340412-3-018-0300)

The land in the County of Skagit, State of Washington, described as follows:

The northerly 1/2, northwesterly 1/2 and westerly 1/2 of that certain 100-foot wide right-of-way conveyed to the Seattle Lake Shore and Eastern Railway Company, later known as the Northern Pacific Railway Company right-of-way and the Burlington Northern Railroad Company right-of-way, through the southwest 1/4, the southeast 1/4 of the northwest 1/4 and the west 1/2 of the northeast 1/4 of Section 12, Township 34 North, Range 4 East, W.M. except the two following described portions thereof;

1) That portion lying northerly of a line drawn at right angles to said main track centerline distant 250.0 feet southerly as measured along said main track centerline from the north line of said Section 12; and

2) That portion thereof lying within the southeast 1/4 of the northwest 1/4 of the southwest 1/4 of said Section 12 as quieted in John Clifford Mitterand and Jimmie Mitterand by order entered July 18, 1996 in Skagit County cause No. 95-2-01273-9 as Tract 6.
Agenda Item #9

P24693 – XREF ID (340414-0-001-0108)

PARCEL “F”
THOSE PORTIONS OF THE EASTERLY 1/2 OF THAT PORTION OF THAT CERTAIN 100-FOOT WIDE STRIP OF LAND CONVEYED TO THE SEATTLE LAKE SHORE AND EASTERN RAILWAY COMPANY BY DEED DATED APRIL 4, 1890 AND RECORDED JULY 13, 1890, IN VOLUME 10 OF DEEDS, PAGE 651, RECORDS OF SKAGIT COUNTY, WASHINGTON, WHICH LIE NORTHERLY OF A LINE DRAWN PERPENDICULAR THROUGH THE CENTERLINE OF SAID 100 FOOT WIDE STRIP OF LAND AND THROUGH THE POINT OF DIVERGENCE THE EASTERLY RIGHT-OF-WAY LINE OF SAID 100 FOOT WIDE STRIP OF LAND AND THE WESTERLY RIGHT-OF-WAY LINE OF THE ROAD RIGHT-OF-WAY COMMONLY KNOWN AS STATE HIGHWAY NO. 9, AS CONVEYED TO SKAGIT COUNTY BY DEEDS RECORDED AS AUDITOR’S FILE NOS. 9611150090, 9611250090 AND 9611250089; ALL BEING PORTIONS OF THE NORTHWEST 1/4 OF SECTION 14, TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M..

ALL SITUATED IN SKAGIT COUNTY, WASHINGTON
EXHIBIT “B”
GRAPHIC DEPICTION OF EASEMENT AREA
EXHIBIT - 'B'

SITUATE IN A PORTION OF THE SE 1/4 OF THE SW 1/4 AND
THE SW 1/4 AND SE 1/4 OF THE SE 1/4 OF SECTION 11,
TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M.,
SKAGIT COUNTY, WASHINGTON

BABCOCK ROAD

P24538
DAVIS

P24539
BNSF RAILWAY
COMPANY

P24549
THOMPSON

STATE ROUTE 9

P115489
DAVIS

P24540
SKAGIT COUNTY
FORMER R/R R-O-W

P24535
CLEAR VALLEY
ENVIRONMENTAL
FARM LLC

P109225
CLEAR VALLEY
ENVIRONMENTAL
FARM LLC

P24514
ONELLE

P24546
SVENSON

P24545
ABRAHAMSON

P24548
VANDEGRIFT

P24549
THOMPSON

STATE ROUTE 9

P24515
HEINER

GRAPHIC SCALE
(10 survey feet)

= SUBJECT PARCEL(S) (P24540 & P24500)

DATE: 9.29.2020

DWG NO.: 2017095_sve_ESMNTS_200928 (SKAGIT PUD ONLY).dwg
Agenda Item #9

EXHIBIT - 'B'

SITUATE IN A PORTION OF THE SE 1/4 OF THE SW 1/4 AND THE SW 1/4 AND SE 1/4 OF THE SE 1/4 OF SECTION 11, TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M., SKAGIT COUNTY, WASHINGTON

PACIFIC SURVEY & ENGINEERING INC.

EXHIBIT 'B' SHEET 3 OF 3

DATE: 9.29.2020

DRAWN: 2017095 sVE ESMNts 200928 (SKAGIT PUD ONLY).dwg

 graphics scale

<table>
<thead>
<tr>
<th>0</th>
<th>1000</th>
</tr>
</thead>
<tbody>
<tr>
<td>500</td>
<td>2000</td>
</tr>
</tbody>
</table>

= SUBJECT PARCEL(S) (P109916 & P24693
This map was created from available public records and existing map sources, not from field surveys. While great care was taken in this process, maps from different sources rarely agree as to the precise location of geographic features. The relative positioning of map features to one another results from combining different map sources without field verification.

The PUD #1 of Skagit County disclaims any warranty of merchantability or warranty of fitness of this map for any particular purpose, either expressed or implied. No representation or warranty is made concerning the accuracy, currency, completeness or quality of data depicted on this map. Any user of this map assumes all responsibility for use thereof, and further agrees to hold the PUD #1 of Skagit County harmless from any damage, loss, or liability arising from the use of this map.
## PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY
### OCTOBER 2020

<table>
<thead>
<tr>
<th></th>
<th>Current Month</th>
<th>YTD 2019</th>
<th>YTD 2020</th>
<th>Percent Change</th>
<th>Revised Budget</th>
<th>Budget to Actual %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning Reserves</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$ 18,591,923</td>
<td>$ 19,608,483</td>
<td>5%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential &amp; Multi-family</td>
<td>$ 1,908,920</td>
<td>$ 14,496,854</td>
<td>$ 15,869,185</td>
<td>9%</td>
<td>$ 15,604,281</td>
<td>102%</td>
</tr>
<tr>
<td>Commercial, Gov't &amp; Ag. (a)</td>
<td>630,435</td>
<td>5,166,475</td>
<td>4,943,677</td>
<td>-4%</td>
<td>5,750,772</td>
<td>86%</td>
</tr>
<tr>
<td><strong>Water Sales</strong></td>
<td>$ 2,672,819</td>
<td>$ 20,565,637</td>
<td>$ 21,540,927</td>
<td>5%</td>
<td>$ 22,218,041</td>
<td>97%</td>
</tr>
<tr>
<td>Other Water Sales (a)</td>
<td>29,963</td>
<td>489,072</td>
<td>325,291</td>
<td>-33%</td>
<td>315,064</td>
<td>103%</td>
</tr>
<tr>
<td>Work &amp; Service Orders (a)</td>
<td>47,177</td>
<td>564,401</td>
<td>401,825</td>
<td>-29%</td>
<td>588,316</td>
<td>86%</td>
</tr>
<tr>
<td>System Development Fees</td>
<td>126,002</td>
<td>1,416,568</td>
<td>1,087,777</td>
<td>-23%</td>
<td>1,145,014</td>
<td>95%</td>
</tr>
<tr>
<td>Grants &amp; Loans</td>
<td>102,345</td>
<td>492,950</td>
<td>775,644</td>
<td>57%</td>
<td>250,000</td>
<td>310%</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$ 2,978,048</td>
<td>$ 23,763,811</td>
<td>$ 24,328,437</td>
<td>2%</td>
<td>$ 25,021,044</td>
<td>97%</td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary/Wages/Benefits</td>
<td>$ 1,025,683</td>
<td>$ 7,709,906</td>
<td>$ 8,164,476</td>
<td>6%</td>
<td>$ 8,780,754</td>
<td>93%</td>
</tr>
<tr>
<td>WTP - Water, Power, Chemicals</td>
<td>52,423</td>
<td>974,701</td>
<td>891,030</td>
<td>-9%</td>
<td>1,111,385</td>
<td>80%</td>
</tr>
<tr>
<td>Repairs &amp; Maintenance &amp; Fleet (b)</td>
<td>83,053</td>
<td>898,000</td>
<td>1,019,096</td>
<td>13%</td>
<td>1,173,244</td>
<td>87%</td>
</tr>
<tr>
<td>Technology/SCADA/Support (c)</td>
<td>16,871</td>
<td>364,167</td>
<td>419,814</td>
<td>15%</td>
<td>553,345</td>
<td>76%</td>
</tr>
<tr>
<td>Professional Services (d)</td>
<td>78,164</td>
<td>260,876</td>
<td>383,159</td>
<td>47%</td>
<td>469,102</td>
<td>82%</td>
</tr>
<tr>
<td>Goods &amp; Services</td>
<td>116,794</td>
<td>1,159,309</td>
<td>1,114,980</td>
<td>-4%</td>
<td>1,373,679</td>
<td>81%</td>
</tr>
<tr>
<td>Utility &amp; Other Taxes</td>
<td>130,134</td>
<td>1,058,038</td>
<td>1,079,101</td>
<td>2%</td>
<td>1,138,263</td>
<td>95%</td>
</tr>
<tr>
<td>Construction in Progress (e)</td>
<td>(70,782)</td>
<td>(468,921)</td>
<td>(406,768)</td>
<td>-37%</td>
<td>(1,191,626)</td>
<td>34%</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>$ 1,684,610</td>
<td>$ 11,776,076</td>
<td>$ 12,664,888</td>
<td>8%</td>
<td>$ 13,408,146</td>
<td>94%</td>
</tr>
<tr>
<td><strong>Capital &amp; Debt Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Labor</td>
<td>$ 58,304</td>
<td>$ 639,638</td>
<td>$ 651,407</td>
<td>2%</td>
<td>$ 1,212,450</td>
<td>54%</td>
</tr>
<tr>
<td>Other Expenses (Equip., Inv., G&amp;S)</td>
<td>623,933</td>
<td>6,841,774</td>
<td>3,847,372</td>
<td>-44%</td>
<td>18,460,883</td>
<td>21%</td>
</tr>
<tr>
<td><strong>Capital Expenses</strong></td>
<td>$ 682,237</td>
<td>$ 7,481,412</td>
<td>$ 4,498,779</td>
<td>-40%</td>
<td>$ 19,673,333</td>
<td>23%</td>
</tr>
<tr>
<td>Debt (Principal &amp; Interest)</td>
<td>261,646</td>
<td>2,779,108</td>
<td>2,616,455</td>
<td>-6%</td>
<td>2,616,455</td>
<td>100%</td>
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<tr>
<td><strong>Total Capital &amp; Debt Service</strong></td>
<td>$ 943,883</td>
<td>$ 10,260,520</td>
<td>$ 7,115,234</td>
<td>-31%</td>
<td>$ 22,289,788</td>
<td>32%</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>$ 2,628,492</td>
<td>$ 22,036,596</td>
<td>$ 19,780,122</td>
<td>-10%</td>
<td>$ 35,697,934</td>
<td>55%</td>
</tr>
<tr>
<td>Revenue Fund</td>
<td></td>
<td>$ 9,960,115</td>
<td>$ 13,502,777</td>
<td>36%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction Fund</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>System Development Fees</td>
<td>5,002,490</td>
<td>6,306,073</td>
<td>26%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bond &amp; Debt Reserve</td>
<td>2,223,740</td>
<td>875,086</td>
<td>61%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Ending Estimated Reserves</strong></td>
<td>$ 17,186,345</td>
<td>$ 20,683,936</td>
<td></td>
<td>20%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services Added YTD</td>
<td>192</td>
<td>198</td>
<td>3%</td>
<td>215 Average</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(a) Business & Gov't activity down due to pandemic
(b) Valve preventive maintenance programs startup costs & meter inventory
(c) IT projects & annual maintenance contracts
(d) Bond refinancing costs $86 k & Risk Assessment Study $32 k
(e) Capital projects delays
Agenda Item #11

2020 Judy Reservoir Inflows & Elevation

Streams
SRD Pumping
2020 Reservoir Level
Max/Spill Reservoir Level
5-YEAR JUDY RESERVOIR ELEVATIONS

Reservoir Elevation (ft)


2015-2019 Reservoir Level Range
• 2019 Reservoir Level
2020 Reservoir Level

Agenda Item #11