The public is invited to attend in person or via Zoom. Face coverings are optional for fully vaccinated, in-person audience members.

Join our meeting: https://skagitpud.zoom.us/j/87668688843?pwd=Q0JBanVadm1POE1LSFZldDB1R3dSUT09
Meeting ID: 876 6868 8843
Passcode: 519222
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 before the meeting by calling (360) 848-4477 or send an email to pud@skagitpud.org.

CONSENT AGENDA
1. Approval of Agenda 7/27/21
2. Approval of Minutes: 7/13/21 Regular Meeting
3. Ratification of Voucher 7/20/21
4. Voucher Approval 7/27/21

2021 SECOND-QUARTER FINANCIALS

AUDIENCE COMMENTS

OLD BUSINESS
5. Manager’s Report
6. Community Relations Department Update
7. Fidalgo Island System Transfer – Updated Agreement

NEW BUSINESS
8. Emergency Response Plan – Discussion
9. Recommendation to Award – Chlorine Dry Scrubber | Purafil – Action
10. Memo – Payment of Expenses | SkagitNet – Action

INFORMATION
12. Judy Reservoir Data Report
14. Recent News Articles

COMMISSIONER COMMENTS

EXECUTIVE SESSION: Approximate 45 Minute Duration
Litigation that the agency reasonably believes may be commenced by or against the agency, the governing body, or a member acting in an official capacity – Per RCW 42.30.110(1)(i)(ii)

ADJOURNMENT
The regular meeting of the Commission of Public Utility District No. 1 was held in person in the Aqua Room of the utility located at 1415 Freeway Drive, Mount Vernon, Washington, with masks and social distancing. The public was invited to attend the meeting virtually via Zoom.

The meeting was called to order at 4:31 p.m.

**Commissioners Appearing:** Joe Lindquist, President; Germaine Kornegay, Vice President; and Andrew Miller, Secretary.

**Staff Appearing:** Kevin Tate, Mark Handzlik, Brian Henshaw, Jay Sedivy, Luis Gonzalez, Kathy White, and Catherine Price.

**Staff Appearing Remotely:** George Sidhu, Alistair Boudreaux, Sam Shipp, Bill Trueman, Attorney Peter Gilbert, Chris Shaff, Ryan Anderson, Sally Saxton, and Sharon Mataya.

**Other Parties Appearing Remotely:** Andrew Entrikin, SkagitNET; and Dustin Bliss, Western Refinery Services. Others may have appeared but were not identified.

Commissioner Lindquist led the Pledge of Allegiance.

**CONSENT AGENDA**

Commissioner Lindquist moved to approve the Consent Agenda for July 13, 2021, as presented.

1. Approval of Agenda 7/13/21
2. Approval of Minutes: 6/22/21 Regular Commission Meeting
3. Ratification of Vouchers 6/29/21 No. 2986 ($1,529,149.43)
   Accounts Payable Voucher No. 21258-21292 ($406,513.51)
   Electronic Funds Transfer ($1,117,411.45)
   Payroll Electronic Funds Transfers and checks No. M00607 ($5,224.47)
   Ratification of Vouchers 7/6/21 No. 2987 ($1,928,915.32)
   Accounts Payable Voucher No. 21293-21335 ($786,507.31)
   Electronic Funds Transfer ($959,029.82)
   Payroll Electronic Funds Transfers and checks No. 034168-034249 ($183,378.19)
4. Voucher Approval 7/13/21 No. 2988 ($1,075,670.91)
   Accounts Payable Voucher No. 21336-21379 ($956,342.81)
   Electronic Funds Transfer ($119,328.10)

The motion passed.

**SKAGITNET UPDATE**

Andrew Entrikin provided a report for the second quarter of 2021, including recent fiber backbone installation, building methodology for upcoming proposed broadband funding opportunities, working to finalize a contract to provide mapping and grant support services, and ongoing interagency coordination to expand the network.

**AUDIENCE COMMENTS**

None.

**OLD BUSINESS**

5. **Manager’s Report:** Acting General Manager Kevin Tate provided an update on the following:
   - Judy Reservoir to Mount Vernon Transmission Line Project, Phase 2 – District’s staff led Dave Paul, State Representative, and Kathryn Gardow, Chair of Public Works Board, on a tour of the reservoir and construction route of the project.
   - WTP - flow rates on June 28, the day temperatures hit over 100-degrees in Skagit County, the WTP was running at 90% capacity and production was 19.1 million gallons.
   - Raw Water Pump Station – Construction continues, Contractor is excavating for the footings and electrical conduit is being installed.
6. **Human Resources Department Update:** HR Manager Kathy White provided an update including: staffing updates, seasonal yard maintenance, staff internal position changes, and upcoming open or new positions in operations, executive assistant, HR assistant, finance, and IT; progress on the benefit plan evaluation consulting on benefits, comparisons, employee survey, recommendations; employee evaluations are due for merit increases; bargaining for represented employees will start soon; non-represented pay comparisons are being reviewed to determine if adjustments are needed; and 2.6% COLA for 2022 has been determined based on 90% of the three-year average. Commissioner comments followed.

7. **Payment Plan and Interest Waiver Discussion:** Finance Manager Brian Henshaw initiated a discussion including when and how to notify customers that we are going to begin collecting outstanding debts, and making payment arrangements. The Governor has made recommendations but there is currently no formal guidance, current proclamation has been extended to September 30, 2021. Following a lengthy discussion, it was decided that when the proclamation expires, penalties would be reinstated for outstanding debts on active accounts. This statement will be distributed to all customers with future billings detailing payment arrangement expectations. Commissioners requested revisiting this discussion once the moratorium has lifted.

**NEW BUSINESS**

8. **Recommendation to Award Panorama Storage Tank – MurraySmith:** Engineering Manager Mark Handzlik presented the proposed award recommendation for design services contract related to the Panorama Storage Tank Project. Commissioner Kornegay moved to approve the District entering into a contract with MurraySmith, Inc. for $787,000.00 for design services related to the Panorama Storage Tank Project. The motion passed.

9. **Recommendation to Award Storage Hardware Upgrades – CDW:** IT Manager Alistair Boudreaux presented the proposed award recommendation for the purchase of server hardware and implementation services to upgrade our existing infrastructure using the HPE Nimble storage solution to increase speed, storage and security. Commissioner Miller moved to approve the District entering into a contract with CDW for $320,767.57 for the purchase of server hardware and implementation services related to the Storage hardware Upgrades Project. The motion passed.

10. **Recommendation to Reject Bids for Burkland Road:** Engineering Manager Mark Handzlik presented the proposed recommendation to reject all bids for the Burkland Road, East Stackpole Road to East Johnson Road Project. Commissioner Lindquist moved to approve the District rejecting all bids for the Burkland Road project. The motion passed.

**INFORMATION**

11. Judy Reservoir Data Report
12. Recent News Articles

**COMMISSIONER COMMENTS**

None.

**ADJOURNMENT**

Having no further business to come before the Board, Commissioner Lindquist moved to adjourn the meeting of July 13, 2021, at 5:32 p.m. The motion passed unanimously.

__________________________________________
Joe Lindquist, President

______________________________
Andrew Miller, Secretary

______________________________
Germaine Kornegay, Vice President
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 $692,769.94 this 20th day of July, 2021.

The total is comprised of the following:

Accounts Payable voucher No. from 21380 through 21445 in the amount of $428,164.71, Electronic Funds Transfer in the amount of $77,054.28. Payroll Electronic Funds Transfers and checks No. 034414 through 034495 in the amount of $187,550.95.

Attest:

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<th>Voucher</th>
<th>Claimant</th>
<th>Amount</th>
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<td>21381</td>
<td>EDI AFLAC</td>
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<td>BERG VAULT CO OF WA INC</td>
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<td>21445</td>
<td>SKAGIT COUNTY PUBLIC WORKS</td>
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505,218.99
Financial Summary
June 30, 2021
Investments Returns

7/22/2021

LGIP  2 YR Treasury  3 month rolling average

Owned By The People We Serve!
District Funds - $25 M

- General Revenue, $16,009,331, 64%
- System Development, $7,351,608, 29%
- Debt Service, $1,653,180, 7%
# 2021 YTD Revenues

<table>
<thead>
<tr>
<th>Revenues</th>
<th>YTD 2020</th>
<th>YTD 2021</th>
<th>Percent Change</th>
<th>Revised Budget</th>
<th>Budget to Actual %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential &amp; Multi-family</td>
<td>$8,862,055</td>
<td>$9,456,865</td>
<td>7%</td>
<td>$9,142,780</td>
<td>103%</td>
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<tr>
<td>Commercial, Gov't &amp; Ag.</td>
<td>2,804,880</td>
<td>3,041,869</td>
<td>8%</td>
<td>2,760,562</td>
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<tr>
<td>Resale</td>
<td>50,319</td>
<td>56,151</td>
<td>12%</td>
<td>45,420</td>
<td>124%</td>
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<tr>
<td>Irrigation</td>
<td>197,211</td>
<td>232,370</td>
<td>18%</td>
<td>119,813</td>
<td>194%</td>
</tr>
<tr>
<td>Water Sales</td>
<td>$11,914,465</td>
<td>$12,787,255</td>
<td>7%</td>
<td>$12,068,575</td>
<td>106%</td>
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</table>
Capital Contributions $1.8 M

- 2019
- 2020
- 2021
- Budget

- Work Orders
- Donated Plant
- System Development
- Services

7/22/2021
Owned By The People We Serve!
New Services - 116

![Graph showing new services from 2016 to 2021]

- SRVC's
- ERU's

7/22/2021
Owned By The People We Serve!
Meters – 27,212

- Residential, 22,758 (84%)
- Comm, Gov't & Ag., 2,232 (8%)
- Multi, 1,280 (5%)
- Other, 942 (3%)
- Hydrant, 69
- Statement, 13
- Deduct, 175
- Irrig, 142
- Manifold, 69
- Fire, 444 (2%)
- Master, 28

Owned By The People We Serve!
<table>
<thead>
<tr>
<th>Operating Expenses</th>
<th>YTD 2020</th>
<th>YTD 2021</th>
<th>Percent Change</th>
<th>Revised Budget</th>
<th>Budget to Actual %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary/Wages/Benefits</td>
<td>$4,939,049</td>
<td>$4,728,414</td>
<td>-4%</td>
<td>$5,141,495</td>
<td>92%</td>
</tr>
<tr>
<td>WTP - Water, Power, Chemicals</td>
<td>469,898</td>
<td>520,250</td>
<td>11%</td>
<td>699,363</td>
<td>74%</td>
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<tr>
<td>Repairs &amp; Maintenance &amp; Fleet</td>
<td>609,118</td>
<td>619,294</td>
<td>2%</td>
<td>796,570</td>
<td>78%</td>
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<tr>
<td>Technology/SCADA/Support</td>
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<td>414,058</td>
<td>19%</td>
<td>413,144</td>
<td>100%</td>
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<td>Professional Services</td>
<td>199,101</td>
<td>84,103</td>
<td>-58%</td>
<td>280,458</td>
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<td>Goods &amp; Services</td>
<td>649,509</td>
<td>737,774</td>
<td>14%</td>
<td>886,804</td>
<td>83%</td>
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<td>Utility &amp; Other Taxes</td>
<td>604,578</td>
<td>678,657</td>
<td>12%</td>
<td>638,846</td>
<td>106%</td>
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<td>Construction in Progress</td>
<td>(235,822)</td>
<td>(329,155)</td>
<td>40%</td>
<td>(715,004)</td>
<td>46%</td>
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<td>Total Operating Expenses</td>
<td>$7,584,730</td>
<td>$7,453,394</td>
<td>-2%</td>
<td>$8,141,676</td>
<td>92%</td>
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## Department Expenses

<table>
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<tr>
<th>Department</th>
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<th>2021</th>
<th>Y-O-Y</th>
<th>Budget</th>
<th>% Budget</th>
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<tbody>
<tr>
<td>Human Resources</td>
<td>100,907</td>
<td>97,584</td>
<td>-3%</td>
<td>122,295</td>
<td>80%</td>
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<td>Commissioners</td>
<td>96,818</td>
<td>93,850</td>
<td>-3%</td>
<td>127,709</td>
<td>73%</td>
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<td>Administration</td>
<td>552,263</td>
<td>569,194</td>
<td>3%</td>
<td>596,556</td>
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<td>Safety Program</td>
<td>99,379</td>
<td>102,384</td>
<td>3%</td>
<td>93,727</td>
<td>109%</td>
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<td>Const. Maintenance</td>
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<td>736,990</td>
<td>-14%</td>
<td>1,024,012</td>
<td>72%</td>
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<td>Water Treatment Plant</td>
<td>1,000,264</td>
<td>1,056,843</td>
<td>6%</td>
<td>1,381,430</td>
<td>77%</td>
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<td>Distribution</td>
<td>694,210</td>
<td>686,237</td>
<td>-1%</td>
<td>843,898</td>
<td>81%</td>
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<td>Lab &amp; Water Quality</td>
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<td>156,937</td>
<td>-2%</td>
<td>183,459</td>
<td>86%</td>
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<td>Operations &amp; Facilities</td>
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<td>436,743</td>
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<td>333,495</td>
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<td>Information Technology</td>
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<td>750,686</td>
<td>13%</td>
<td>770,556</td>
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<td>Finance &amp; Stores</td>
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<td>361,649</td>
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<td>Meter Crew</td>
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<td>92%</td>
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<tr>
<td>Engineering</td>
<td>1,101,524</td>
<td>918,864</td>
<td>-17%</td>
<td>971,805</td>
<td>95%</td>
</tr>
</tbody>
</table>
# Cash Flow Summary

<table>
<thead>
<tr>
<th></th>
<th>2020 YTD</th>
<th>2021 YTD</th>
<th>Y-O-Y</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>$13,041,387</td>
<td>$14,243,591</td>
<td>9%</td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
<td>7,584,730</td>
<td>7,453,394</td>
<td>-2%</td>
</tr>
<tr>
<td><strong>Capital Expenses</strong></td>
<td>2,558,402</td>
<td>3,355,471</td>
<td>31%</td>
</tr>
<tr>
<td><strong>Debt Service</strong></td>
<td>1,569,873</td>
<td>1,750,000</td>
<td>11%</td>
</tr>
<tr>
<td><strong>Income / (Loss)</strong></td>
<td>$1,328,382</td>
<td>$1,684,726</td>
<td></td>
</tr>
</tbody>
</table>
## Capital Projects $3.4 M

<table>
<thead>
<tr>
<th>DEVELOPER PROJECTS</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anacortes St Short Plat</td>
<td>$74,009</td>
</tr>
<tr>
<td>Pump Drive Apartments</td>
<td>$81,188</td>
</tr>
<tr>
<td>Grafton Park Apartments</td>
<td>$110,892</td>
</tr>
<tr>
<td>Brickyard Park</td>
<td>$133,850</td>
</tr>
<tr>
<td></td>
<td><strong>$674,245</strong></td>
</tr>
<tr>
<td>FIBER MAJOR CAPITAL PROJECTS</td>
<td></td>
</tr>
<tr>
<td>Burlington to MV Fiber</td>
<td>$10,836</td>
</tr>
<tr>
<td>Kulshan Trail Fiber</td>
<td>$48,228</td>
</tr>
<tr>
<td></td>
<td><strong>$55,877</strong></td>
</tr>
<tr>
<td>OPS &amp; MAINT MAJOR CAPITAL PROJECTS</td>
<td></td>
</tr>
<tr>
<td>RWPS Upgrade</td>
<td>$495,950</td>
</tr>
<tr>
<td>WTP Ammonia Tank Rebuild</td>
<td>$68,821</td>
</tr>
<tr>
<td></td>
<td><strong>$605,170</strong></td>
</tr>
<tr>
<td>PIPE REPLACEMENT PROJECTS</td>
<td></td>
</tr>
<tr>
<td>Little Mnt. Road</td>
<td>$169,808</td>
</tr>
<tr>
<td>JR-MV Transmission</td>
<td>$601,579</td>
</tr>
<tr>
<td>N 18 St E Division to Highland</td>
<td>$590,049</td>
</tr>
<tr>
<td></td>
<td><strong>$1,361,024</strong></td>
</tr>
</tbody>
</table>
Consumption (CF)

- January
- February
- March
- April
- May
- June

Legend: 2019, 2020, 2021
Interest & Penalties Waived ($142,104)
Financial Summary
June 30, 2021
July 27, 2021

TO: Board of Commissioners

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

SUBJECT: Fidalgo Island Water System Asset Transfer and Improvement Agreement

Requested Action:
Authorize the general manager to execute the Fidalgo Island Water System Asset Transfer and Improvement Agreement.

Background:
On March 5, 2020, an informational open house was hosted by the District and the city of Anacortes to discuss the potential transfer of the Fidalgo Island Water System (FIWS) ownership to the city. The intent of the open house was to provide information to customers and then address the potential transfer during open public meetings to solicit further conversation.

Due to COVID-19, the public meeting and comment process was interrupted for several months. However, at the District’s board meeting on September 8, 2020, there was a public comment period for customers and the public to share their comments. In addition, customers were encouraged to provide their comments via email. Seven emails were received, which resulted in a mixed response of support and opposition for the potential transfer. With over 700 hundred customers on the FIWS, the few comments received did not change the path of working with the city on developing a transfer agreement.

On September 22, 2020, the board authorized the general manager to work with Anacortes to develop an agreement to transfer the FIWS from the District to the city.

There are two documents attached to this memo:

1. A track changes version of the transfer agreement that includes edits and changes from the original draft agreement developed in December 2019. We have continued to refine the agreement by updating details and projects costs, and this version shows all of the changes that have been made.

2. A clean version of the same document with all of the changes accepted.

My recommendation is for the board to approve the Fidalgo Island Water System Asset Transfer and Improvement Agreement. This agreement will also be on the agenda at an upcoming Anacortes council meeting for review and approval. Once the agreement has been signed, the District will budget for and complete the projects listed in the agreement to allow the transfer.
The projects will be completed in 2022 and 2023, with the final closing date of the agreement to be mutually agreed, upon acceptance of the projects.

**Fiscal Impact:**
The current estimate for the District to complete the improvement projects is $1,151,000, and these funds will come from the District’s Capital Improvement Program funding.
1. AGREEMENT

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

2. RECITALS

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

2.2 Fidalgo Island Water System of the District. The District owns a water distribution system that serves approximately 720 customers located in an unincorporated area of Skagit County on Fidalgo Island, the facilities of which are more particularly described in Section 3.1 ("Fidalgo Island Water System" or "FIWS"). Pursuant to the Water Supply Agreement 2017-2036 between the City and the District, last dated January 6, 2017 ("Supply Agreement"), the Water System provides water supply to the FIWS to serve District customers connected to the FIWS. The Supply Agreement authorizes transfers of service areas among customers of the City, including the District, and expansion of the City’s service area.

2.3 Transfer of Fidalgo Island Water System to the City. Due to the proximity of the FIWS to other retail service areas of the Water System and the City’s continued provision of water supply to the FIWS under the Supply Agreement, the Parties have determined that transferring the FIWS to the City will improve maintenance and emergency response times and result in economic and water service-related efficiencies in the continued operation, maintenance and improvement of the FIWS. Corresponding service area adjustments necessary for the FIWS transfer are identified in applicable water system comprehensive plans approved by the Washington State Department of Health and accordingly are incorporated by reference in the Skagit County coordinated water system plan. It is therefore in the best interests of the City, the District and the FIWS ratepayers for the District to transfer ownership of the FIWS to the City.

2.4 Improvements to the Fidalgo Island Water System. The Parties have also determined that the costs of certain priority capital projects within the FIWS described in Section 4.1 ("FIWS Improvements") are properly allocated to the capital facilities component of rates and charges already paid by FIWS ratepayers to the District. The Parties therefore agree that the District will undertake the FIWS Improvements before the Closing Date (defined below).
2.5 **Purpose.** This Agreement governs the terms and conditions of: (i) the transfer of the FIWS and associated real and personal property, contracts and intangibles from the District to the City; and (ii) the District’s construction of the FIWS Improvements.

3. **TRANSFER OF THE FIDALGO ISLAND WATER SYSTEM**

3.1 **Acquisition of the Fidalgo Island Water System.** The District, for the rights and benefits under this Agreement and other good and valuable consideration the receipt of which it acknowledges, grants, conveys, assigns and delivers to the City, and the City accepts, the Fidalgo Island Water System, as more specifically described as follows:

3.1.1 **Similk Property.** The District conveys to the City the real property and improvements associated with the former Similk Reservoir (to be abandoned—i.e., removed and decommissioned—by the District prior to Closing as provided in Section 4) pursuant to a Quitclaim Deed, substantially in the form attached as Schedule 1 (the first of five schedules titled “Quitclaim Deed”), which consists of one parcel of approximately 0.25 acres, together with and subject to all improvements, appurtenances, easements, rights-of-way and right-of-access licenses thereto. (The real property interests and improvements in this Section 3.1.1 are collectively referred to as the “Similk Property”).

3.1.2 **Summit Park Reservoir.** The District conveys to the City the real property and improvements associated with the Summit Park Reservoir pursuant to a Quitclaim Deed, substantially in the form attached as Schedule 2 (the second of five schedules titled “Quitclaim Deed”), which consists of one parcel of approximately 0.24 acres and an approximately 100,000 gallon concrete reservoir, together with and subject to all improvements, appurtenances, easements, rights-of-way and right-of-access licenses thereto. (The real property interests and improvements in this Section 3.1.2 are collectively referred to as the “Summit Park Reservoir”).

3.1.3 **Fidalgo Heights Reservoir.** The District conveys to the City the real property and improvements associated with the Fidalgo Heights Reservoir pursuant to a Quitclaim Deed, substantially in the form attached as Schedule 3 (the third of five schedules titled “Quitclaim Deed”), which consists of one parcel of approximately 0.50 acres and an approximately 550,000 gallon welded steel reservoir, together with and subject to all improvements, appurtenances, easements, rights-of-way and right-of-access licenses thereto. (The real property interests and improvements in this Section 3.1.3 are collectively referred to as the “Fidalgo Heights Reservoir”).

3.1.4 **Bridgeway Reservoirs.** The District conveys to the City the real property and improvements associated with the Bridgeway Reservoir 1 and the Bridgeway Reservoir 2 pursuant to a Quitclaim Deed, substantially in the form attached as Schedule 4 (the fourth of five schedules titled “Quitclaim Deed”), which consists of two parcels of approximately 0.07 and 0.02 acres and two approximately 50,000 gallon each concrete reservoirs, together with and subject to all improvements, appurtenances, easements, rights-of-way and right-of-access licenses thereto. (The real property interests and improvements in this Section 3.1.4 are collectively referred to as the “Bridgeway Reservoirs”).
3.1.5 **Gibraltar Pump Station.** The District conveys to the City the real property and improvements associated with the Gibraltar Pump Station pursuant to a Quitclaim Deed, substantially in the form attached as Schedule 5 (the fifth of five schedules titled “Quitclaim Deed”), which consists of one parcel of approximately 0.08 acres and a domestic water pump station, together with and subject to all improvements, appurtenances, easements, rights-of-way and right-of-access licenses thereto. (The real property interests and improvements in this Section 3.1.5 are collectively referred to as the “Gibraltar Pump Station”).

3.1.6 **FIWS Pipeline Facilities.** The District conveys to the City that certain portion of the District’s water distribution system of pipeline and related facilities that are not located on District-owned real property pursuant to a Bill of Sale, substantially in the form attached as Schedule 5 (“Bill of Sale”) and graphically depicted for illustrative purposes on the diagrams attached as Exhibit A of Schedule 5, which includes approximately 94,774 feet of pipelines, certain sample stations, pressure reducing valves and hydrants, other water distribution system pipelines and related facilities and all improvements, upgrades, and appurtenances, now existing or in the process of construction that comprise of or are used by the FIWS Pipeline Facilities. (The facilities in this Section 3.1.6 are collectively referred to as the “FIWS Pipeline Pipelines.”).

3.1.7 **FIWS Easements.** The District grants, conveys, assigns and delivers to the City all of the District’s rights and interests in land on which the FIWS is located outside of Skagit County rights-of-way and not transferred to the City under this Agreement, pursuant to an Omnibus Assignment and Assumption of Easements, substantially in the form attached as Schedule 6 (the “Omnibus Assignment and Assumption Easements”), which consists of all easements acquired by the District over, under, along, across, upon and through private property necessary for purposes of installing, maintaining and operating certain portions of the FIWS. (The easement interests in this Section 3.1.7 are collectively referred to as the “FIWS Easements.”).

3.1.8 **Assignment of Contracts and Intangibles.** To the extent transferable by the District, the District assigns to the City the following contracts and intangibles related to the FIWS pursuant to an Assignment of Contracts and Intangibles substantially in the form attached as Schedule 7 (the “Assignment of Contracts and Intangibles”): (i) all engineering contracts, drawings, plans and specifications (including as-built), consulting agreements, engineer’s reports, soils reports, environmental reports, utility management reports, plans and recommendations, design contracts, construction contracts, construction subcontracts and supply agreements with subcontractors, suppliers and materialmen, together with copies of all change orders or modifications thereto; (ii) all warranties and guarantees; (iii) all ownership permits, operations permits, licenses and approvals; and, (iv) all rights and duties under any other existing contracts. (The contract and intangible rights and obligations in this Section 3.1.8 are collectively referred to as the “Contracts and Intangibles”).

3.1.9 **Unknown FIWS Facilities.** If the District or the City discover a portion of the FIWS within three (3) years after Closing, and the District’s and the City’s right to own, maintain and use that portion of the FIWS is not evidenced by a legally sufficient
instrument, the District shall acquire the legal right to own, maintain and use that portion by negotiation, quiet title, declaratory action or condemnation, with the Parties sharing equally in the cost and expense. After the discovery and the acquisition, to the extent necessary, the District shall transfer the legal right to that portion of the FIWS to the City free and clear of all liens, liabilities and encumbrances, in a form of document approved by the City, which approval shall not be unreasonably withheld or delayed.

3.2 **Purchase Price.** The exclusive consideration for the FIWS transfer are the mutual rights, obligations and covenants described in this Agreement, and except as provided in this Agreement, neither the District nor the City will be obligated to pay any other monetary consideration to each other. The Parties find and determine that this exchange of consideration represents the true and full value of the FIWS and the mutual rights, obligations and covenants described in this Agreement.

3.3 **Conditions of Assets and Title.**

3.3.1 **Assets.** The City acknowledges it has examined the FIWS and that it accepts the same in its condition as of the Closing Date, “as is and where is,” except as specifically set forth in this Agreement.

3.3.2 **Title.** If requested by the City, the District shall deliver to the City a preliminary commitment for title insurance, at a cost to be paid for by the City at Closing, together with copies of all exceptions and encumbrances for all or any portion of the FIWS that is transferred to the City.

3.3.3 **Encumbrances.** The District shall convey the FIWS to the City free and clear of all District-caused liens, liabilities and encumbrances. The City may waive in writing any liens, liabilities or encumbrances.

3.4 **Closing and Possession; Acceptance of Documents.** The transfer of the FIWS will occur on a date mutually acceptable to the Parties after completion by the District and acceptance by the City of the FIWS Improvements, as provided in Section 4 (“Closing” or “Closing Date”), on and after which the City is entitled to possession of the same. The FIWS Improvements are anticipated to be undertaken in 2022 and 2023. Upon establishment of the Closing Date, the General Manager of the District is authorized and directed to execute and cause the recording of, as necessary, the Quitclaim Deeds, the Bill of Sale, the Omnibus Assignment and Assumption Easements and the Assignment of Contracts and Intangibles (collectively, “Schedules”) on or before the Closing Date. The Parties will cooperate in the execution and recording of all documents necessary to complete the FIWS transfer.

3.5 **Contingencies.** All obligations of the City under this Agreement are subject to the fulfillment on or before Closing of each of the contingencies set forth below. If any of the contingencies are not met in full or fail to occur before Closing, for any reason whatsoever, the City may, in its sole discretion, either waive such contingencies and proceed with Closing or terminate this Agreement without liability or further obligation.

3.5.1 **Representations.** The representations and warranties of the District contained in this Agreement must be true and correct in all respects material to the validity
and enforceability of this Agreement and the District’s ability to transfer the FIWS on and as of Closing as though they were made on the Closing Date or, in the case of representations and warranties made as of a specified date earlier than the Closing Date, on and as of such earlier date.

3.5.2 **Inspections.** The City will have completed, to the City’s satisfaction, all inspections and reviews of the FIWS as the City desires. The District will make all of its records and documents relating to the FIWS available at reasonable times for the City to review and inspect.

3.5.3 **Performance.** The District will have performed and complied with, in all material respects, all agreements and conditions required by this Agreement to be performed or complied with by the District before Closing.

3.5.4 **No Adverse Change.** On the Closing Date, there will be no substantial adverse change in the financial or physical condition of the FIWS from the Effective Date, except for ordinary wear and tear.

3.5.5 **Consents for Transfer.** The District will have obtained any and all deeds, consents, assignments and approvals required to transfer or convey the FIWS.

3.6 **Representations and Warranties of the District.** The District represents and warrants to the City as follows:

3.6.1 **Organization and Authority.** The District is a Washington public utility district duly organized, validly existing and in good standing under Title 54 RCW. The District has the right, power and authority to enter into this Agreement, to execute all documents and instruments contemplated by this Agreement, to consummate this transaction and to perform all other obligations to be performed by the District under this Agreement. The execution, delivery and performance of this Agreement and all agreements, documents and instruments contemplated by this Agreement have been duly authorized by all necessary action on the part of the District.

3.6.2 **Title to Assets.** Except as otherwise disclosed to the City in writing, as of the Effective Date, the District has good and marketable title to the FIWS, and none of the same are subject to any mortgage, pledge, lien, conditional sale, title redemption agreement, lease, encumbrance or other claim or charge that will not be discharged at Closing.

3.6.3 **No Litigation.** There are no suits, claims, proceedings, judgments or pending actions against the District relating to its interest in or operation of the FIWS.

3.6.4 **No Violation.** Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the performance by the District of, and compliance by the District with, this Agreement will violate federal, state or local laws, regulations, approvals or permits.
3.6.5 Hazardous Materials. To the District’s knowledge: there are no Hazardous Materials on, under or about the FIWS; no Hazardous Materials have at any time been generated, manufactured, released or disposed of on, under or about the FIWS; there are no past, current or threatened Hazardous Materials Claims. For the purposes of this paragraph, “Hazardous Materials” includes, but is not limited to, any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, a hazardous, toxic or radioactive substance, or other similar term, by any federal, state or local environmental statute, regulation or ordinance presently in effect (collectively, “Hazardous Material Laws”). For the purposes of this paragraph, Hazardous Materials Claims means any enforcement, cleanup, removal, remedial or other governmental or regulatory notices, actions, agreements or orders threatened, instituted or completed pursuant to any Hazardous Materials Laws, together with any and all claims made or threatened by any third party against the District or the property relating to damage, contribution, cost recovery compensation, loss or injury resulting from the presence, release or discharge of any Hazardous Materials.

3.6.6 Representations and Warranties True at Closing. The representations and warranties made by the District in this Agreement will be correct as of the Closing Date with the same force and effect as though such representations and warranties had been made as of the Closing Date.

3.7 Representations and Warranties of the City.

3.7.1 Organization and Authority. The City is a Washington code city duly organized, validly existing and in good standing under Title 35A RCW. The City has the right, power and authority to enter into this Agreement, to execute all documents and instruments contemplated by this Agreement, to consummate this transaction and to perform all other obligations to be performed by the City under this Agreement. The execution, delivery and performance of this Agreement and all agreements, documents and instruments contemplated hereby have been duly authorized by all necessary action on the part of the City.

3.7.2 No Violation. Neither the execution and delivery of this Agreement, the consummation of the transaction contemplated hereby, nor the performance by the City of, and compliance by the City with, this Agreement will violate federal, state or local laws, regulations, approvals or permits.

3.7.3 No Litigation. There are no suits, claims, proceedings, judgments or pending actions against the City relating to its interest in or operation of the FIWS.

3.7.4 Representations and Warranties True at Closing. The representations and warranties made by the City in this Agreement will be correct as of the Closing Date with the same force and effect as though such representations and warranties had been made as of the Closing Date.

3.8 12-Month Warranty. The District will repair, replace or otherwise finance necessary improvements to the FIWS due to a catastrophic failure that occurs within the 12-month
period following Closing. A catastrophic failure does not include operation or maintenance expenses incurred in the normal course of business for water utilities of similar size and scope as the FIWS.

3.9 **Meter Reading, Billing and Revenue Collection.** The District will provide meter reading, billing and revenue collection services up to the Closing Date. After the Closing Date, the City will be responsible for reading the meters, billing and collecting revenue. The District agrees to assist the City in this transition and provide meter reading data to the City with respect to existing District transponders on FIWS meters for up to 12 months after the Closing Date or the earlier replacement of District transponders by the City.

3.10 **Conduct of Business Prior to Closing.** Prior to Closing, the District covenants as follows and the Parties agree as follows:

3.10.1 **Agreement Changes.** Prior to Closing, the District may not make or agree to any changes in the District’s agreements or leases relating to the FIWS without delivering prior written notice to the City.

3.10.2 **New Contracts.** Prior to Closing, the District may not enter into any agreement or commitment relating to the FIWS that is not terminable at will without delivering prior written notice to the City.

3.10.3 **Operation and Maintenance.** Prior to Closing, the District will: (i) operate, maintain and repair the FIWS so that the FIWS remains in the same condition as its condition on the Effective Date, except for ordinary wear and tear; (ii) hold itself out as the water purveyor for the FIWS service area; (iii) operate or cause to be operated the properties of the FIWS and the business in connection therewith in an efficient manner and at a reasonable cost; and (iv) operate and maintain the FIWS in compliance with water quality standards of the Washington State Department of Health and the U.S. Environmental Protection Agency. Between the Effective Date and the Closing Date, the City may inspect any improvement or construction performed on the FIWS, as the case may be.

3.10.4 **Damage to the FIWS.** Prior to Closing, if any of the FIWS is damaged through the grossly negligent or willful actions or omissions of the District between the Effective Date and the Closing Date (other than normal wear and tear), the District will repair or replace the same.

3.11 **Conduct of Business after Closing.** On and after the Closing Date, and for so long as the City owns the FIWS, the City will:

3.11.1 Hold itself out as the water purveyor for the FIWS service area.

3.11.2 Operate or cause to be operated the properties of the FIWS and the business in connection therewith in an efficient manner and at a reasonable cost.

3.11.3 Maintain, preserve and keep the properties of the FIWS in good repair, working order and condition.
3.11.4 Make all necessary and proper additions, betterments, renewals and repairs to and improvements, replacements and extensions of the FIWS, except for the FIWS Improvements required to be constructed by the District under this Agreement.

3.11.5 Operate and maintain the FIWS in compliance with water quality standards of the Washington State Department of Health and the U.S. Environmental Protection Agency.

4. FIDALGO ISLAND WATER SYSTEM IMPROVEMENTS

4.1 Construction and Ownership. The District agrees to construct the FIWS Improvements to standards consistent with the customary practices for domestic water facilities in the State of Washington of similar size and scope with an anticipated completion date no later than December 31, 2023. Upon construction by the District, acceptance by the City and as of the Closing Date, the City will own the FIWS Improvements in fee simple. The FIWS Improvements consist of the following improvement projects and estimated costs in 2020 dollars:

4.1.1 Similk Reservoir Abandonment and PRV Relocation: $309,000.

4.1.2 Bridgeway Reservoirs Abandonment, Connection to Anacortes Transmission Main (350 LF) and PRV Placement: $396,000.

4.1.3 Saterlee, Gibraltar Road to Mashie Street Pipe Replacement (1,450 LF): $446,000.

4.2 Costs. The District is responsible for all costs to construct the FIWS Improvements, including without limitation:

4.2.1 Design, development, construction and installation costs.

4.2.2 Architect, surveyor, engineer and project manager costs.

4.2.3 Labor, materials, supplies and equipment costs.

4.2.4 Permit costs.

4.2.5 State and local sales taxes, business and occupation taxes and other taxes, fees or assessments.

4.2.6 Insurance costs.

4.2.7 Any additional costs reasonably incurred in connection with the construction of the FIWS Improvements, as determined by the project engineer.

4.3 Extraordinary Costs. The Parties understand that the total costs of the FIWS Improvements are expected to be approximately $1,151,000. If costs reasonably related to the construction of the FIWS Improvements but not listed in this Section 4.2 are incurred, either Party
may request a fair and appropriate allocation of those costs under the mutual cooperation process in Section 5.1.

4.4 12-Month Warranty. The District will provide, or will cause its applicable contractors to provide, a 12-month warranty for each FIWS Improvement beginning on the date of completion and acceptance by the City of each respective FIWS Improvement constructed after Closing.

5. GENERAL

5.1 Mutual Cooperation Process. Upon mutual agreement between the Parties, or upon the request of either Party under Section 4.3, the Parties will resolve issues related to this Agreement under the following process:

5.1.1 The Parties will first attempt to resolve the issue through routine meetings and communications in the ordinary course of business.

5.1.2 If either the Public Works Director of the City or the General Manager of the District determines that routine meetings and communications will not resolve the issue, the Parties will then attempt to resolve the issue through formal meetings or negotiations between representatives of the Parties appointed by their respective governing bodies.

5.1.3 If either representative of the respective governing bodies of the Parties determines that formal meetings or negotiations will not resolve the issue, then either Party may demand mediation through a process mutually agreed to in good faith between the Parties within 30 days of the demand, which may include binding or nonbinding decisions or recommendations. The mediator(s) must be individuals skilled in the legal and business aspects of this Agreement. The Parties will share equally the costs of mediation and assume their own costs.

5.1.4 If mediation does not resolve the issue, the Parties may pursue any and all available remedies under applicable law.

5.2 Indemnification.

5.2.1 To the extent permitted by law, the District agrees to defend, indemnify and hold harmless the City and its elected officials, officers, employees and agents from all claims, demands, suits, penalties, losses, damages, judgments, liabilities, expenses, costs and reasonable attorneys’ fees arising out of or in any way resulting from a breach of the District’s duties, obligations, representations or warranties under this Agreement and its Schedules. Should a court of competent jurisdiction determine this Agreement or its Schedules are subject to RCW 4.24.115, then in the event of liability for damages caused by the negligence or concurrent negligence of the City, the District’s obligation to indemnify the City will extend only to the extent of the District’s negligence. The Parties specifically and expressly understand that this indemnification constitutes the District’s waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of
this indemnification and only with respect to the City. The Parties acknowledge that this waiver has been mutually negotiated.

5.2.2 To the extent permitted by law, the City agrees to defend, indemnify and hold harmless the District and its elected officials, officers, employees and agents from all claims, demands, suits, penalties, losses, damages, judgments, liabilities, expenses, costs and reasonable attorneys’ fees arising out of or in any way resulting from a breach of the City’s duties, obligations, representations or warranties under this Agreement and its Schedules. Should a court of competent jurisdiction determine this Agreement and its Schedules are subject to RCW 4.24.115, then in the event of liability for damages caused by the negligence or concurrent negligence of the District, the City’s obligation to indemnify the District will extend only to the extent of the District’s negligence. The Parties specifically and expressly understand that this indemnification constitutes the City’s waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification and only with respect to the District. The Parties acknowledge that this waiver has been mutually negotiated.

5.2.3 The provisions of this Section survive any expiration or termination of this Agreement and its Schedules with respect to any event occurring prior to such expiration or termination.

5.3 Agreement Costs. The Parties will share equally all costs and expenses related to the preparation, drafting and documentation of this Agreement and its Schedules, including without limitation, legal, consultant and applicable filing and recording costs.

5.4 Notices.

5.4.1 The District. All official notices or communications to the District under this Agreement must be submitted to the following representative or to such other representative as the District provides:

George Sidhu
General Manager
Skagit Public Utility District
1415 Freeway Drive
P.O. Box 1436
Mount Vernon, WA 98273
Phone: (360) 848-4436
Email: sidhu@skagitpud.org

5.4.2 The City. All official notices or communications to the City under this Agreement must be submitted to the following representative or to such other representative as the City provides:

Fred Buckenmeyer
Public Works Director
5.5 **Entire Agreement.** This Agreement and Schedules contains the entire understanding between the Parties and supersedes any prior understandings regarding the FIWS. No amendment of or supplement to this Agreement is valid or effective unless made in writing and executed by the Parties.

5.6 **Governing Law.** This Agreement and its Schedules are governed by and construed according to the laws of the State of Washington. As against the other Party, each Party may file suit to enforce this Agreement and its Schedules only in the Superior Court of Skagit County, Washington.

5.7 **Successors and Assigns.** All of the provisions, terms, conditions and requirements contained in this Agreement are binding upon the successors of the Parties. A Party may not assign its rights and duties under this Agreement without the consent of the other Party, which may not be unreasonably withheld.

5.8 **No Third Party Rights.** This Agreement is solely for the benefit of the Parties and does not grant any right to any other party or person.

5.9 **Severability.** The provisions of this Agreement are separate and severable. If a court of competent jurisdiction, all appeals having been exhausted or all appeal periods having run, holds any provision of this Agreement invalid or unenforceable as to any person or circumstance, the offending provision, if feasible, is modified to be within the limits of enforceability or validity. If the offending provision cannot be modified, it is null and void with respect to the particular person or circumstance. All other provisions of this Agreement in all other respects, and the offending provision with respect to all other persons and all other circumstances, remain valid and enforceable.

5.10 **Captions.** Captions given to the various provisions of this Agreement are for convenience only and are not intended to modify or affect the meaning of any provision.

5.11 **Counterparts.** This Agreement may be executed and delivered in counterparts, each of which is considered an original and all of which together constitute one and the same agreement.

5.12 **Authority.** The individuals signing below represent and warrant that they have the requisite authority to bind the Parties on whose behalf they are signing.
This Agreement is executed by each Party as set forth below:

City of Anacortes

By: ______________________________
Its: ______________________________
Date:____________________________

Public Utility District No. 1 of Skagit County

By: ______________________________
Its: ______________________________
Date:____________________________
STATE OF WASHINGTON  )
COUNTY OF SKAGIT  )

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

DATED this _____ day of ______________, 20__.

________________________________________
(Signature of Notary)

________________________________________
(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of Washington, residing at _________________________
My appointment expires _________________________
STATE OF WASHINGTON  )
                        ) ss.
COUNTY OF SKAGIT    )

I certify that I know or have satisfactory evidence that _________________________ is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the _________________________ of the City of Anacortes, Washington, a Washington code city, to be the free and voluntary act of such municipal corporation for the uses and purposes mentioned in the instrument.

DATED this _____ day of _______________, 20__.  

__________________________________________  
(Signature of Notary)  

__________________________________________  
(Legibly Print or Stamp Name of Notary)  
Notary public in and for the state of Washington, residing at ________________________________  
My appointment expires ________________________________
THE FIDALGO ISLAND WATER SYSTEM
ASSET TRANSFER AND IMPROVEMENT AGREEMENT

1. AGREEMENT

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

2. RECITALS

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

2.2 Fidalgo Island Water System of the District. The District owns a water distribution system that serves approximately 720 customers located in an unincorporated area of Skagit County on Fidalgo Island, the facilities of which are more particularly described in Section 3.1 ("Fidalgo Island Water System" or "FIWS"). Pursuant to the Water Supply Agreement 2017-2036 between the City and the District, last dated January 6, 2017 ("Supply Agreement"), the Water System provides water supply to the FIWS to serve District customers connected to the FIWS. The Supply Agreement authorizes transfers of service areas among customers of the City, including the District, and expansion of the City’s service area.

2.3 Transfer of Fidalgo Island Water System to the City. Due to the proximity of the FIWS to other retail service areas of the Water System and the City’s continued provision of water supply to the FIWS under the Supply Agreement, the Parties have determined that transferring the FIWS to the City will improve maintenance and emergency response times and result in economic and water service-related efficiencies in the continued operation, maintenance and improvement of the FIWS. Corresponding service area adjustments necessary for the FIWS transfer are identified in applicable water system comprehensive plans approved by the Washington State Department of Health and accordingly are incorporated by reference in the Skagit County coordinated water system plan. It is therefore in the best interests of the City, the District and the FIWS ratepayers for the District to transfer ownership of the FIWS to the City.

2.4 Improvements to the Fidalgo Island Water System. The Parties have also determined that the costs of certain priority capital projects within the FIWS described in Section 4.1 ("FIWS Improvements") are properly allocated to the capital facilities component of rates and charges already paid by FIWS ratepayers to the District. The Parties therefore agree that the District will undertake the FIWS Improvements before or within approximately 24 months after the Transfer Date (defined below).
2.5 **Purpose.** This Agreement governs the terms and conditions of: (i) the transfer of the FIWS and associated real and personal property, contracts and intangibles from the District to the City; and (ii) the District’s construction of the FIWS Improvements.

3. **TRANSFER OF THE FIDALGO ISLAND WATER SYSTEM**

3.1 **Acquisition of the Fidalgo Island Water System.** The District, for the rights and benefits under this Agreement and other good and valuable consideration the receipt of which it acknowledges, grants, conveys, assigns and delivers to the City, and the City accepts, the Fidalgo Island Water System, as more specifically described as follows:

3.1.1 **Similk Reservoir Property.** The District agrees to convey to the City the real property and improvements associated with the former Similk Reservoir (to be abandoned—i.e., removed and decommissioned—by the District prior to Closing as provided in Section 4) pursuant to a Quitclaim Deed, substantially in the form attached as Schedule 1 (the first of five schedules titled “Quitclaim Deed”), which consists of one parcel of approximately 0.25 acres and an approximately 100,000 gallon wood stave reservoir, together with and subject to all improvements, appurtenances, easements, rights-of-way and right-of-access licenses thereto. (The real property interests and improvements in this Section 3.1.1 are collectively referred to as the “Similk Reservoir Property”).

3.1.2 **Summit Park Reservoir.** The District agrees to convey to the City the real property and improvements associated with the Summit Park Reservoir pursuant to a Quitclaim Deed, substantially in the form attached as Schedule 2 (the second of five schedules titled “Quitclaim Deed”), which consists of one parcel of approximately 0.24 acres and an approximately 100,000 gallon concrete reservoir, together with and subject to all improvements, appurtenances, easements, rights-of-way and right-of-access licenses thereto. (The real property interests and improvements in this Section 3.1.2 are collectively referred to as the “Summit Park Reservoir”).

3.1.3 **Fidalgo Heights Reservoir.** The District agrees to convey to the City the real property and improvements associated with the Fidalgo Heights Reservoir pursuant to a Quitclaim Deed, substantially in the form attached as Schedule 3 (the third of five schedules titled “Quitclaim Deed”), which consists of one parcel of approximately 0.50 acres and an approximately 550,000 gallon welded steel reservoir, together with and subject to all improvements, appurtenances, easements, rights-of-way and right-of-access licenses thereto. (The real property interests and improvements in this Section 3.1.3 are collectively referred to as the “Fidalgo Heights Reservoir”).

3.1.4 **Bridgeway Reservoirs.** The District agrees to convey to the City the real property and improvements associated with the Bridgeway Reservoir 1 and the Bridgeway Reservoir 2 pursuant to a Quitclaim Deed, substantially in the form attached as Schedule 4 (the fourth of five schedules titled “Quitclaim Deed”), which consists of two parcels of approximately 0.07 and 0.02 acres and two approximately 50,000 gallon each concrete reservoirs, together with and subject to all improvements, appurtenances, easements, rights-of-way and right-of-access licenses thereto. (The real property interests
and improvements in this Section 3.1.4 are collectively referred to as the “Bridgeway Reservoirs”).

3.1.5 Gibralter Pump Station. The District agrees to convey to the City the real property and improvements associated with the Gibralter Pump Station pursuant to a Quitclaim Deed, substantially in the form attached as Schedule 5 (the fifth of five schedules titled “Quitclaim Deed”), which consists of one parcel of approximately 0.08 acres and a domestic water pump station, together with and subject to all improvements, appurtenances, easements, rights-of-way and right-of-access licenses thereto. (The real property interests and improvements in this Section 3.1.5 are collectively referred to as the “Gibralter Pump Station”).

3.1.6 FIWS Pipeline Facilities. The District agrees to convey to the City that certain portion of the District’s water distribution system of pipeline and related facilities that are not located on District-owned real property pursuant to a Bill of Sale, substantially in the form attached as Schedule 6 (the “Bill of Sale”) and graphically depicted for illustrative purposes on the diagrams attached as Exhibit A of Schedule 1, which includes approximately 94,774 feet of pipelines, certain sample stations, pressure reducing valves and hydrants, other water distribution system pipelines and related facilities and all improvements, upgrades, and appurtenances, now existing or in the process of construction that comprise of or are used by the FIWS Pipeline Facilities. (The facilities in this Section 3.1.6 are collectively referred to as the “FIWS Pipeline Facilities.”).

3.1.7 FIWS Easements. The District agrees to grant, convey, assign and deliver to the City all of the District’s rights and interests in land on which the FIWS is located outside of Skagit County rights-of-way and not transferred to the City under this Agreement, pursuant to an Omnibus Assignment and Assumption of Easements, substantially in the form attached as Schedule 7 (the “Omnibus Assignment and Assumption Easements”), which consists of all easements acquired by the District over, under, along, across, upon and through private property necessary for purposes of installing, maintaining and operating certain portions of the FIWS. (The easement interests in this Section 3.1.7 are collectively referred to as the “FIWS Easements.”).

3.1.8 Assignment of Contracts and Intangibles. To the extent transferable by the District, the District assigns to the City the following contracts and intangibles related to the FIWS pursuant to an Assignment of Contracts and Intangibles substantially in the form attached as Schedule 8 (the “Assignment of Contracts and Intangibles”): (i) all engineering contracts, drawings, plans and specifications (including as-built), consulting agreements, engineer’s reports, soils reports, environmental reports, utility management reports, plans and recommendations, design contracts, construction contracts, construction subcontracts and supply agreements with subcontractors, suppliers and materialmen, together with copies of all change orders or modifications thereto; (ii) all warranties and guarantees; (iii) all ownership permits, operations permits, licenses and approvals; and, (iv) all rights and duties under any other existing contracts. (The contract
and intangible rights and obligations in this Section 3.1.8 are collectively referred to as the “Contracts and Intangibles”).

3.1.9  **Unknown FIWS Facilities.** If the District or the City discover a portion of the FIWS within three (3) years after Closing, and the District’s and the City’s right to own, maintain and use that portion of the FIWS is not evidenced by a legally sufficient instrument, the District shall acquire the legal right to own, maintain and use that portion by negotiation, quiet title, declaratory action or condemnation, with the Parties sharing equally in the cost and expense. After the discovery and the acquisition, to the extent necessary, the District shall transfer the legal right to that portion of the FIWS to the City free and clear of all liens, liabilities and encumbrances, in a form of document approved by the City, which approval shall not be unreasonably withheld or delayed.

3.2  **Purchase Price.** The exclusive consideration for the FIWS transfer are the mutual rights, obligations and covenants described in this Agreement, and except as provided in this Agreement, neither the District nor the City will be obligated to pay any other monetary consideration to each other. The Parties find and determine that this exchange of consideration represents the true and full value of the FIWS and the mutual rights, obligations and covenants described in this Agreement.

3.3  **Conditions of Assets and Title.**

3.3.1  **Assets.** The City acknowledges it has examined the FIWS and that it accepts the same in its condition as of the Closing Date, “as is and where is,” except as specifically set forth in this Agreement.

3.3.2  **Title.** If requested by the City, the District shall deliver to the City a preliminary commitment for title insurance, at a cost to be paid for by the City at Closing, together with copies of all exceptions and encumbrances for all or any portion of the FIWS that is transferred to the City.

3.3.3  **Encumbrances.** The District shall convey the FIWS to the City free and clear of all District-caused liens, liabilities and encumbrances. The City may waive in writing any liens, liabilities or encumbrances.

3.4  **Closing and Possession; Acceptance of Documents.** The transfer of the FIWS closes on ____________, 20__, will occur on a date mutually acceptable to the Parties after completion by the District and acceptance by the City of the FIWS Improvements, as provided in Section 4 (“Closing” or the “Closing Date”), on and after which the City is entitled to possession of the same. The City Manager of the City and FIWS Improvements are anticipated to be undertaken in 2022 and 2023. Upon establishment of the Closing Date, the General Manager of the District is authorized and directed to execute this Agreement and cause the recording of, as necessary, the Quitclaim Deeds, the Bill of Sale, the Omnibus Assignment and Assumption Easements and the Assignment of Contracts and Intangibles (collectively, “Schedules”) on or before the Closing Date. The Parties will cooperate in the execution and recording of all documents necessary to complete the FIWS transfer.
3.5 **Contingencies.** All obligations of the City under this Agreement are subject to the fulfillment on or before Closing of each of the contingencies set forth below. If any of the contingencies are not met in full or fail to occur before Closing, for any reason whatsoever, the City may, in its sole discretion, either waive such contingencies and proceed with Closing or terminate this Agreement without liability or further obligation.

3.5.1 **Representations.** The representations and warranties of the District contained in this Agreement must be true and correct in all respects material to the validity and enforceability of this Agreement and the District’s ability to transfer the FIWS on and as of Closing as though they were made on the Closing Date or, in the case of representations and warranties made as of a specified date earlier than the Closing Date, on and as of such earlier date.

3.5.2 **Inspections.** The City will have completed, to the City’s satisfaction, all inspections and reviews of the FIWS as the City desires. The District will make all of its records and documents relating to the FIWS available at reasonable times for the City to review and inspect.

3.5.3 **Performance.** The District will have performed and complied with, in all material respects, all agreements and conditions required by this Agreement to be performed or complied with by the District before Closing.

3.5.4 **No Adverse Change.** On the Closing Date, there will be no substantial adverse change in the financial or physical condition of the FIWS from the Effective Date, except for ordinary wear and tear.

3.5.5 **Consents for Transfer.** The District will have obtained any and all deeds, consents, assignments and approvals required to transfer or convey the FIWS.

3.6 **Representations and Warranties of the District.** The District represents and warrants to the City as follows:

3.6.1 **Organization and Authority.** The District is a Washington public utility district duly organized, validly existing and in good standing under Title 54 RCW. The District has the right, power and authority to enter into this Agreement, to execute all documents and instruments contemplated by this Agreement, to consummate this transaction and to perform all other obligations to be performed by the District under this Agreement. The execution, delivery and performance of this Agreement and all agreements, documents and instruments contemplated by this Agreement have been duly authorized by all necessary action on the part of the District.

3.6.2 **Title to Assets.** Except as otherwise disclosed to the City in writing, as of the Effective Date, the District has good and marketable title to the FIWS, and none of the same are subject to any mortgage, pledge, lien, conditional sale, title redemption agreement, lease, encumbrance or other claim or charge that will not be discharged at Closing.
3.6.3 No Litigation. There are no suits, claims, proceedings, judgments or pending actions against the District relating to its interest in or operation of the FIWS.

3.6.4 No Violation. Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the performance by the District of, and compliance by the District with, this Agreement will violate federal, state or local laws, regulations, approvals or permits.

3.6.5 Hazardous Materials. To the District’s knowledge: there are no Hazardous Materials on, under or about the FIWS; no Hazardous Materials have at any time been generated, manufactured, released or disposed of on, under or about the FIWS; there are no past, current or threatened Hazardous Materials Claims. For the purposes of this paragraph, “Hazardous Materials” includes, but is not limited to, any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, a hazardous, toxic or radioactive substance, or other similar term, by any federal, state or local environmental statute, regulation or ordinance presently in effect (collectively, “Hazardous Material Laws”). For the purposes of this paragraph, Hazardous Materials Claims means any enforcement, cleanup, removal, remedial or other governmental or regulatory notices, actions, agreements or orders threatened, instituted or completed pursuant to any Hazardous Materials Laws, together with any and all claims made or threatened by any third party against the District or the property relating to damage, contribution, cost recovery compensation, loss or injury resulting from the presence, release or discharge of any Hazardous Materials.

3.6.6 Representations and Warranties True at Closing. The representations and warranties made by the District in this Agreement will be correct as of the Date of Closing Date with the same force and effect as though such representations and warranties had been made as of the Date of Closing Date.

3.7 Representations and Warranties of the City.

3.7.1 Organization and Authority. The City is a Washington code city duly organized, validly existing and in good standing under Title 35A RCW. The City has the right, power and authority to enter into this Agreement, to execute all documents and instruments contemplated by this Agreement, to consummate this transaction and to perform all other obligations to be performed by the City under this Agreement. The execution, delivery and performance of this Agreement and all agreements, documents and instruments contemplated hereby have been duly authorized by all necessary action on the part of the City.

3.7.2 No Violation. Neither the execution and delivery of this Agreement, the consummation of the transaction contemplated hereby, nor the performance by the City of, and compliance by the City with, this Agreement will violate federal, state or local laws, regulations, approvals or permits.

3.7.3 No Litigation. There are no suits, claims, proceedings, judgments or pending actions against the City relating to its interest in or operation of the FIWS.
3.7.4 **Representations and Warranties True at Closing.** The representations and warranties made by the City in this Agreement will be correct as of the **Date of Closing Date** with the same force and effect as though such representations and warranties had been made as of the **Date of Closing Date**.

3.8 **12-Month Warranty.** The District will repair, replace or otherwise finance necessary improvements to the FIWS due to a catastrophic failure that occurs within the 12-month period following Closing. A catastrophic failure does not include operation or maintenance expenses incurred in the normal course of business for water utilities of similar size and scope as the FIWS.

3.9 **Meter Reading, Billing and Revenue Collection.** The District will provide meter reading, billing and revenue collection services up to the Closing Date. After the Closing Date, the City will be responsible for reading the meters, billing and collecting revenue. The District agrees to assist the City in this transition and provide meter reading data to the City with respect to existing District transponders on FIWS meters for up to 12 months after the Closing Date or the earlier replacement of District transponders by the City.

3.10 **Conduct of Business Prior to Closing.** Prior to Closing, the District covenants as follows and the Parties agree as follows:

3.10.1 **Agreement Changes.** Prior to Closing, the District may not make or agree to any changes in the District’s agreements or leases relating to the FIWS without delivering prior written notice to the City.

3.10.2 **New Contracts.** Prior to Closing, the District may not enter into any agreement or commitment relating to the FIWS that is not terminable at will without delivering prior written notice to the City.

3.10.3 **Operation and Maintenance.** Prior to Closing, the District will: (i) operate, maintain and repair the FIWS so that the FIWS remains in the same condition as its condition on the Effective Date, except for ordinary wear and tear; (ii) hold itself out as the water purveyor for the FIWS service area; (iii) operate or cause to be operated the properties of the FIWS and the business in connection therewith in an efficient manner and at a reasonable cost; and (iv) operate and maintain the FIWS in compliance with water quality standards of the Washington State Department of Health and the U.S. Environmental Protection Agency. Between the Effective Date and the Closing Date, the City may inspect any improvement or construction performed on the FIWS, as the case may be.

3.10.4 **Damage to the FIWS.** Prior to Closing, if any of the FIWS is damaged through the grossly negligent or willful actions or omissions of the District between the Effective Date and the Closing Date (other than normal wear and tear), the District will repair or replace the same.

3.11 **Conduct of Business after Closing.** On and after the Closing Date, and for so long as the City owns the FIWS, the City will:
3.11.1 Hold itself out as the water purveyor for the FIWS service area.

3.11.2 Operate or cause to be operated the properties of the FIWS and the business in connection therewith in an efficient manner and at a reasonable cost.

3.11.3 Maintain, preserve and keep the properties of the FIWS in good repair, working order and condition.

3.11.4 Make all necessary and proper additions, betterments, renewals and repairs to and improvements, replacements and extensions of the FIWS, except for the FIWS Improvements required to be constructed by the District under this Agreement.

3.11.5 Operate and maintain the FIWS in compliance with water quality standards of the Washington State Department of Health and the U.S. Environmental Protection Agency.

4. FIDALGO ISLAND WATER SYSTEM IMPROVEMENTS

4.1 Construction and Ownership. The District agrees to construct the FIWS Improvements to standards consistent with the customary practices for domestic water facilities in the State of Washington of similar size and scope with an anticipated completion date no later than ______________, 20_________. December 31, 2023. Upon construction and acceptance by the District and the City, the FIWS Improvements in fee simple. The FIWS Improvements consist of the following improvement projects and estimated costs in 2020 dollars:

4.1.1 Similk Reservoir Abandonment and PRV Relocation: $114,000-309,000.

4.1.2 Bridgeway Reservoirs Abandonment, Connection to Anacortes Transmission Main (350 LF) and PRV Placement: $276,000-396,000.

4.1.3 Saterlee, Gibraltar Road to Mashie Street Pipe Replacement (1,450 LF): $356,000-446,000.

4.2 Costs. The District is responsible for all costs to construct the FIWS Improvements, including without limitation:

4.2.1 Design, development, construction and installation costs.

4.2.2 Architect, surveyor, engineer and project manager costs.

4.2.3 Labor, materials, supplies and equipment costs.

4.2.4 Permit costs.

4.2.5 State and local sales taxes, business and occupation taxes and other taxes, fees or assessments.
4.2.6 Insurance costs.

4.2.7 Any additional costs reasonably incurred in connection with the construction of the FIWS Improvements, as determined by the project engineer.

4.3 Extraordinary Costs. The Parties understand that the total costs of the FIWS Improvements are expected to be approximately $746,000. If costs reasonably related to the construction of the FIWS Improvements but not listed in this Section 4.2 are incurred, either Party may request a fair and appropriate allocation of those costs under the mutual cooperation process in Section 5.1.

4.4 12-Month Warranty. The District will provide, or will cause its applicable contractors to provide, a 12-month warranty for each FIWS Improvement beginning on the date of completion and acceptance by the City of each respective FIWS Improvement constructed after Closing.

5. GENERAL

5.1 Mutual Cooperation Process. Upon mutual agreement between the Parties, or upon the request of either Party under Section 4.3, the Parties will resolve issues related to this Agreement under the following process:

5.1.1 The Parties will first attempt to resolve the issue through routine meetings and communications in the ordinary course of business.

5.1.2 If either the City Manager, Public Works Director of the City or the General Manager of the District determines that routine meetings and communications will not resolve the issue, the Parties will then attempt to resolve the issue through formal meetings or negotiations between representatives of the Parties appointed by their respective governing bodies.

5.1.3 If either representative of the respective governing bodies of the Parties determines that formal meetings or negotiations will not resolve the issue, then either Party may demand mediation through a process mutually agreed to in good faith between the Parties within 30 days of the demand, which may include binding or nonbinding decisions or recommendations. The mediator(s) must be individuals skilled in the legal and business aspects of this Agreement. The Parties will share equally the costs of mediation and assume their own costs.

5.1.4 If mediation does not resolve the issue, the Parties may pursue any and all available remedies under applicable law.

5.2 Indemnification.

5.2.1 To the extent permitted by law, the District agrees to defend, indemnify and hold harmless the City and its elected officials, officers, employees and agents from all claims, demands, suits, penalties, losses, damages, judgments, liabilities, expenses, costs and reasonable attorneys’ fees arising out of or in any way resulting from a breach
of the District’s duties, obligations, representations or warranties under this Agreement and its Schedules. Should a court of competent jurisdiction determine this Agreement or its Schedules are subject to RCW 4.24.115, then in the event of liability for damages caused by the negligence or concurrent negligence of the City, the District’s obligation to indemnify the City will extend only to the extent of the District’s negligence. The Parties specifically and expressly understand that this indemnification constitutes the District’s waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification and only with respect to the City. The Parties acknowledge that this waiver has been mutually negotiated.

5.2.2 To the extent permitted by law, the City agrees to defend, indemnify and hold harmless the District and its elected officials, officers, employees and agents from all claims, demands, suits, penalties, losses, damages, judgments, liabilities, expenses, costs and reasonable attorneys’ fees arising out of or in any way resulting from a breach of the City’s duties, obligations, representations or warranties under this Agreement and its Schedules. Should a court of competent jurisdiction determine this Agreement and its Schedules are subject to RCW 4.24.115, then in the event of liability for damages caused by the negligence or concurrent negligence of the District, the City’s obligation to indemnify the District will extend only to the extent of the District’s negligence. The Parties specifically and expressly understand that this indemnification constitutes the City’s waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification and only with respect to the District. The Parties acknowledge that this waiver has been mutually negotiated.

5.2.3 The provisions of this Section survive any expiration or termination of this Agreement and its Schedules with respect to any event occurring prior to such expiration or termination.

5.3 Agreement Costs. The Parties will share equally all costs and expenses related to the preparation, drafting and documentation of this Agreement and its Schedules, including without limitation, legal, consultant and applicable filing and recording costs.
5.4 Notices.

5.4.1 The District. All official notices or communications to the District under this Agreement must be submitted to the following representative or to such other representative as the District provides:

George Sidhu  
General Manager  
Skagit Public Utility District  
1415 Freeway Drive  
P.O. Box 1436  
Mount Vernon, WA 98273  
Phone: (360) 848-4436  
Email: sidhu@skagitpud.org

5.4.2 The City. All official notices or communications to the City under this Agreement must be submitted to the following representative or to such other representative as the City provides:

Fred Buckenmeyer  
Public Works Director  
City of Anacortes  
904 6th Street  
P.O. Box 547  
Anacortes, WA 98221  
Phone: (360) 293 1919  
Email: fedb@cityofanacortes.org

5.5 Entire Agreement. This Agreement and Schedules contains the entire understanding between the Parties and supersedes any prior understandings regarding the FIWS. No amendment of or supplement to this Agreement is valid or effective unless made in writing and executed by the Parties.

5.6 Governing Law. This Agreement and its Schedules are governed by and construed according to the laws of the State of Washington. As against the other Party, each Party may file suit to enforce this Agreement and its Schedules only in the Superior Court of Skagit County, Washington.

5.7 Successors and Assigns. All of the provisions, terms, conditions and requirements contained in this Agreement are binding upon the successors of the Parties. A Party may not assign its rights and duties under this Agreement without the consent of the other Party, which may not be unreasonably withheld.

5.8 No Third Party Rights. This Agreement is solely for the benefit of the Parties and does not grant any right to any other party or person.

5.9 Severability. The provisions of this Agreement are separate and severable. If a court of competent jurisdiction, all appeals having been exhausted or all appeal periods having
run, holds any provision of this Agreement invalid or unenforceable as to any person or circumstance, the offending provision, if feasible, is modified to be within the limits of enforceability or validity. If the offending provision cannot be modified, it is null and void with respect to the particular person or circumstance. All other provisions of this Agreement in all other respects, and the offending provision with respect to all other persons and all other circumstances, remain valid and enforceable.

5.10 Captions. Captions given to the various provisions of this Agreement are for convenience only and are not intended to modify or affect the meaning of any provision.

5.11 Counterparts. This Agreement may be executed and delivered in counterparts, each of which is considered an original and all of which together constitute one and the same agreement.

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

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

City of Anacortes

By: ______________________________
Its: ______________________________
Date:______________________________

Public Utility District No. 1 of Skagit County

By: ______________________________
Its: ______________________________
Date:______________________________
I certify that I know or have satisfactory evidence that _________________________ is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the _________________________ of Public Utility District No. 1 of Skagit County, Washington, a Washington public utility district, to be the free and voluntary act of such municipal corporation for the uses and purposes mentioned in the instrument.

DATED this _____ day of _______________, 20__.  

(Signature of Notary)  

(Legibly Print or Stamp Name of Notary)  
Notary public in and for the state of Washington, residing at _________________________  
My appointment expires _________________________
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 said person signed this
instrument, on oath stated that said person was authorized to execute the instrument and
acknowledged it as the _________________________ of the City of Anacortes, Washington, a
Washington code city, to be the free and voluntary act of such municipal corporation for the uses
and purposes mentioned in the instrument.

DATED this _____ day of _______________, 20__.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of Washington, residing
at ______________________________________
My appointment expires ______________________
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SECTION 1: INTRODUCTION

This emergency response plan (ERP) details the hazard mitigation planning and response elements specific to Skagit Public Utility District, a participating special purpose district to the Skagit County Hazard Mitigation Plan Update. This ERP is not intended to be a standalone document. The quinquennial (5 years) Environmental Protection Agency risk and resiliency assessment (RRA), Department of Homeland Security risk assessments, the Skagit County Hazard Management Plan (and its appendices and annexes) all serve to supplement or guide this ERP. This ERP provides additional information specific to the PUD for planning purposes, focusing on providing greater risk assessment and mitigation strategy details. For response purposes, this ERP is the primary source document for how the PUD and its personnel should respond in most incident response scenarios. The purpose of this ERP is to reduce response time by eliminating or reducing the time spent attempting to find response information and resources. This plan also supports PUD Policy #1032, Ensuring Continuity of Operations.

Based on definitions and guidance from the Federal Emergency Management Agency’s Developing and Maintaining Emergency Operations Plans: Comprehensive Preparedness Guide 101 (11/2010) and EPA’s Community Water System: Emergency Response Plan Template and Instructions, this plan is strategic and operational. Individual unit emergency response tactics and detailed instructions are marginalized in favor of broader and more scalable instructions and goals. As a result, this ERP will not cover every exact circumstance or emergent event perfectly. The tools in this ERP may be used on a best-fit basis when the plan does not specifically address a certain incident.

SECTION 2: EMERGENCY RESPONSE PLAN IDENTIFICATION DATA

<table>
<thead>
<tr>
<th>PWSID</th>
<th>System name</th>
</tr>
</thead>
<tbody>
<tr>
<td>79500E</td>
<td>Judy</td>
</tr>
<tr>
<td>00932Y</td>
<td>Fidalgo Island</td>
</tr>
<tr>
<td>119174</td>
<td>Cedar Grove</td>
</tr>
<tr>
<td>AA642</td>
<td>Marblemount</td>
</tr>
<tr>
<td>03774Y</td>
<td>Mountain View</td>
</tr>
<tr>
<td>69034L</td>
<td>Potlatch Beach</td>
</tr>
<tr>
<td>736006</td>
<td>Rockport</td>
</tr>
<tr>
<td>968795</td>
<td>Skagit View Village</td>
</tr>
<tr>
<td>01400K</td>
<td>Alger</td>
</tr>
</tbody>
</table>

Main Addresses
Headquarters: 1415 Freeway Drive
Mount Vernon, WA 98273
(360) 424-7104

Water Treatment Plant: 19132 Morford Road
Sedro-Woolley, WA 98284
(360) 848-2134
Population Served
Approximately 82,200 residents in Skagit County

Emergency Planning Coordinator
Jay Sedivy, C.S.P., MEd
Safety & Risk Coordinator
(360) 848-4475

Alternate Contact
George Sidhu, P.E.
General Manager
(360) 848-4436

System Schematics
Distribution system maps are maintained at

SECTION 3: SKAGIT PUD ICS PERSONNEL

This section is designed to assign key Skagit PUD personnel to specific incident command system (ICS) roles within two distinct incident types: internal and localized incidents; and external and/or regional incidents. This plan serves as the designation of ICS roles within the PUD. Only positions named are expected to be trained and function as ICS staff.

Localized incidents can include neighborhood water loss, jeopardized water sources, transmission line breaks, and similar issues. Typically, the response will be made by personnel internal to the PUD and will be defined by the scope of the event and the utility’s ability to respond.

Regional incidents can include man-made or naturally occurring incidents such as floods, earthquakes, and severe weather. These events will typically be large enough in scope to outstrip the PUD’s ability to respond effectively to mitigate damage and the resulting losses. Therefore, PUD personnel shall report to the PUD emergency operations center (EOC) or to the EOC of the primary responding agency to assume the role that the current incident commander and circumstances warrant.

PUD employee’s personal contact information shall not be kept as part of this ERP. Individual supervisors and managers will contact employees in an emergency as part of a recall and for accounting purposes.
## ICS Personnel Roles, Training, and Contact Information

<table>
<thead>
<tr>
<th>District Position</th>
<th>Responsibilities during an emergency</th>
<th>Training Required</th>
<th>Contact numbers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General Manager</strong></td>
<td>Incident commander. Responsible for overall management and decision-making. The incident commander is the lead for managing the emergency and directing section chiefs in their efforts, providing information to regulatory agencies, the public, and news media. All Incident Command roles may be delegated to others except overall decision making and responsibility.</td>
<td>ICS-100, ICS-200, ICS-700, ICS-800, ICS-300, ICS-400</td>
<td>(360) 848-4436, (360) 853-5962 (Cell)</td>
</tr>
<tr>
<td><strong>Engineering Manager</strong></td>
<td>Planning Section Chief. In charge of directing the planning of the water system to include directing inspections, devising engineered solutions to the loss of system function, and directing the search for specialized contractors and agencies to assist in restoring the function of the PUD water system. Reports to the incident commander. Alternative incident commander as needed. Same responsibilities as primary incident commander.</td>
<td>ICS-100, ICS-200, ICS-700, ICS-800, ICS-300, ICS-400</td>
<td>(360) 848-2170, (360) 853-6305 (Cell)</td>
</tr>
<tr>
<td><strong>Community Relations Manager</strong></td>
<td>Liaison/Public Information Officer. Principal contact for all media, outgoing/incoming messages to command staff, and principal representative of organization to other agencies/organizations. Reports to incident commander.</td>
<td>ICS-100, ICS-200, ICS-700, ICS-800, ICS-300, ICS-400</td>
<td>(360) 848-4477, (360) 661-7373 (Cell)</td>
</tr>
<tr>
<td>District Position</td>
<td>Responsibilities during an emergency</td>
<td>Training Required</td>
<td>Contact numbers</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>-------------------</td>
<td>-----------------------------------------------------</td>
</tr>
<tr>
<td>CFO/Treasurer</td>
<td>Finance/Logistics Section Chief. Responsible for assisting the IC, officers, and others with logistical services and financing. Reports directly to IC. May be combined with finance/administrative section chief, as needed and directed by the incident commander. Reports to incident commander.</td>
<td>ICS-100</td>
<td>(360) 848-4453  (360) 391-7048 (Cell)</td>
</tr>
<tr>
<td>Operations Manager</td>
<td>Operations Section Chief. In charge of operating the water system, performing inspections (in collaboration with others), relaying critical information, assessing facilities, and providing recommendations to the general manager regarding the restoration of the PUD water system’s function. Reports to the incident commander. Alternative incident commander as needed. Same responsibilities as primary incident commander. Consideration as alternate incident commander for WTP-specific incidents.</td>
<td>ICS-100 ICS-200 ICS-700 ICS-800 ICS-300 ICS-400 HAZWOPER</td>
<td>(360) 848-4457  (360) 661-4032 (Cell)</td>
</tr>
<tr>
<td>Water Treatment Plant</td>
<td>Water Treatment Leader. In charge of running the water treatment plant, performing inspections, maintenance, sampling and relaying critical information, assessing facilities, and providing recommendations to the operations section chief. Reports to operations section chief. Alternative incident commander as needed. Same responsibilities as primary incident commander. Consideration as alternate incident commander for WTP-specific incidents.</td>
<td>ICS-100</td>
<td>(360) 848-2132  (360) 899-8770 (Cell)</td>
</tr>
<tr>
<td>District Position</td>
<td>Responsibilities during an emergency</td>
<td>Training Required</td>
<td>Contact numbers</td>
</tr>
<tr>
<td>------------------------</td>
<td>-------------------------------------------------------------------------------------------------------</td>
<td>-------------------</td>
<td>---------------------------------</td>
</tr>
<tr>
<td>Maintenance Superintendent</td>
<td>Damage Repair Leader. Responsible for deploying competent and qualified personnel and proper equipment to affect repairs to PUD systems—or to assist in doing so in cases of regional incidents. Reports to the operations section chief.</td>
<td>ICS-100 ICS-200 ICS-700 ICS-800</td>
<td>(360) 848-4440 (360) 840-6011 (Cell)</td>
</tr>
<tr>
<td>Distribution Superintendent</td>
<td>Distribution Group Leader. Responsible for deploying competent and qualified personnel and proper equipment to safely bring repaired water distribution systems back in service, perform damage surveys of the distribution system, and to shut down appropriate distribution services to prevent damage. Reports to the operations section chief.</td>
<td>ICS-100 ICS-200 ICS-700 ICS-800</td>
<td>(360) 848-2144 (360) 840-7709 (Cell)</td>
</tr>
<tr>
<td>Engineering Supervisor</td>
<td>Planning Resources Unit Leader. Shall assist the Planning Section Chief with their duties as needed and directed. May serve as planning section chief in cases of absence or restructuring needs. Reports to planning section chief.</td>
<td>ICS-100 ICS-200 ICS-700 ICS-800 ICS-300</td>
<td>(360) 848-2151 (360) 630-9972 (Cell)</td>
</tr>
<tr>
<td>Safety and Risk Coordinator</td>
<td>Safety Officer. Responsible for all safety and risk management of incident. May perform other roles such as medical unit leader, claims unit leader as needed. Reports to incident commander.</td>
<td>ICS-100 ICS-200 ICS-700 ICS-800 ICS-300 ICS-400</td>
<td>(360) 848-4475 (360) 630-8534 (Cell)</td>
</tr>
<tr>
<td>HR Manager</td>
<td>Administrative Services Branch Leader. Responsible for time keeping, record keeping, and tracking employee use during an incident. May assist the logistics section chief by providing procurement process assistance as needed. Reports to incident commander.</td>
<td>ICS-100 ICS-200 ICS-700 ICS-800</td>
<td>(360) 848-2128 (360) 320-5166 (Cell)</td>
</tr>
<tr>
<td>District Position</td>
<td>Responsibilities during an emergency</td>
<td>Training Required</td>
<td>Contact numbers</td>
</tr>
<tr>
<td>--------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>-------------------</td>
<td>----------------------------------</td>
</tr>
<tr>
<td>IT Manager</td>
<td>IT/Comms Service Branch Leader. Shall assist the logistics section chief and other sections with communications, operational IT support, or other duties as assigned. Reports directly to finance/logistic section chief.</td>
<td>ICS-100, ICS-200, ICS-700, ICS-800</td>
<td>(360) 848-4444, (360) 661-5771 (Cell)</td>
</tr>
<tr>
<td>Customer Service Supervisor</td>
<td>Support Branch Leader. Shall assist the Finance/Logistics Section Chief as necessary with logistical and other support services. Reports to the finance/logistics section chief.</td>
<td>ICS-100, ICS-200, ICS-700, ICS-800</td>
<td>(360) 848-4449, (360) 540-0196 (Cell)</td>
</tr>
<tr>
<td>Water Quality Lab Coordinator</td>
<td>Water Quality Group Leader. Responsible for ensuring the safety of the water supply during an incident, as repairs are made, and in the recovery phase. Assists the Distribution Group Leader and Water Treatment Group Leader in ensuring the safety and adequacy of the PUD’s potable water supply. Reports to the operations section chief.</td>
<td>ICS-100, ICS-200, ICS-700, ICS-800</td>
<td>(360) 848-2135, (360) 630-1632 (Cell)</td>
</tr>
<tr>
<td>Water Treatment Plant Operators</td>
<td>Temporary On-Scene incident commander. In some situations, WTP operators may have to serve temporarily in this capacity until more qualified, and senior personnel such as a fire chief, WTP superintendent, or other qualified person arrives.</td>
<td>ICS-100, ICS-200, ICS-700, ICS-800 HAZWOPER</td>
<td>(360) 661-3743 (Cell), (360) 661-4035 (Cell)</td>
</tr>
</tbody>
</table>
SECTION 4: EMERGENCY OPERATIONS CENTER (EOC)

The emergency operations center (EOC) is where the organized effort to use the incident command system (ICS) to respond to an incident occurs. It also describes where the most senior person responding to or discovering an incident might be, at least temporarily.

The location of the EOC will depend on several factors: the size and scope of the event, the extent of damage to infrastructure, proximity to the event, etc.

The PUD can respond to localized and limited water-related incidents from three possible sites:
- Aqua Room (main PUD campus), 1415 Freeway Drive, Mount Vernon
- Operator’s Control Room (water treatment plant), 11932 Morford Road, Sedro-Woolley
- East Division Street Tank site, 110 Digby Road, Mount Vernon

In addition, the PUD may be asked to send representative staff to participate at EOCs operated by other agencies. The most likely facility to be used for a regional incident response is the EOC operated by Skagit County Department of Emergency Management at 2911 East College Way, Mount Vernon.

The incident commander will ultimately decide which PUD site is the most appropriate; or will respond to the outside agency’s EOC.

SECTION 5: RECORDKEEPING & EVALUATION

A chronological record of all emergency responses shall be made by the incident commander (or designee) on FEMA form ICS-214 and kept on file with the PUD Safety Office. Using the ICS structure—including recordkeeping practices—is required to assure the PUD receives FEMA or state Washington State Department of Emergency Management (DEM) reimbursements for declared emergencies. A blank form is provided as Figure 1.

All records of emergency responses and any follow-up action—to include post-incident grant requests—shall be kept following FEMA best practices for not less than seven years.

The safety coordinator shall conduct evaluations of response in conjunction with the person who acted as incident commander and all staff officers in a “hot wash” that identifies strengths, weaknesses, and opportunities for improved response and resilience.
### Figure 1

**ACTIVITY LOG (ICS 214)**

1. Incident Name:  
2. Operational Period: Date From: Date To:  
   Time From: Time To:  
3. Name:  
4. ICS Position:  
5. Home Agency (and Unit):  

6. Resources Assigned:  
<table>
<thead>
<tr>
<th>Name</th>
<th>ICS Position</th>
<th>Home Agency (and Unit)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

7. Activity Log:  
<table>
<thead>
<tr>
<th>Date/Time</th>
<th>Notable Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

8. Prepared by:  
   Name:  
   Position/Title:  
   Signature:  

ICS 214, Page 1
### Figure 1

**ACTIVITY LOG (ICS 214)**

1. Incident Name:  

2. Operational Period: Date From: Date To:  
   Time From: Time To:  

7. Activity Log (continuation):  
   Date/Time | Notable Activities  

8. Prepared by: Name: Position/Title: Signature:  
   ICS 214, Page 2  
   Date/Time:
ICS 214 Activity Log

**Purpose.** The Activity Log (ICS 214) records details of notable activities at any ICS level, including single resources, equipment, Task Forces, etc. These logs provide basic incident activity documentation, and a reference for any after-action report.

**Preparation.** An ICS 214 can be initiated and maintained by personnel in various ICS positions as it is needed or appropriate. Personnel should document how relevant incident activities are occurring and progressing, or any notable events or communications.

**Distribution.** Completed ICS 214s are submitted to supervisors, who forward them to the Documentation Unit. All completed original forms must be given to the Documentation Unit, which maintains a file of all ICS 214s. It is recommended that individuals retain a copy for their own records.

**Notes:**
- The ICS 214 can be printed as a two-sided form.
- Use additional copies as continuation sheets as needed, and indicate pagination as used.

<table>
<thead>
<tr>
<th>Block Number</th>
<th>Block Title</th>
<th>Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Incident Name</td>
<td>Enter the name assigned to the incident.</td>
</tr>
<tr>
<td>2</td>
<td>Operational Period</td>
<td>Enter the start date (month/day/year) and time (using the 24-hour clock) and end date and time for the operational period to which the form applies.</td>
</tr>
<tr>
<td></td>
<td>Date and Time From</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Date and Time To</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Name</td>
<td>Enter the title of the organizational unit or resource designator (e.g., Facilities Unit, Safety Officer, Strike Team).</td>
</tr>
<tr>
<td>4</td>
<td>ICS Position</td>
<td>Enter the name and ICS position of the individual in charge of the Unit.</td>
</tr>
<tr>
<td>5</td>
<td>Home Agency (and Unit)</td>
<td>Enter the home agency of the individual completing the ICS 214. Enter a unit designator if utilized by the jurisdiction or discipline.</td>
</tr>
<tr>
<td>6</td>
<td>Resources Assigned</td>
<td>Enter the following information for resources assigned:</td>
</tr>
<tr>
<td></td>
<td>Name</td>
<td>Use this section to enter the resource's name. For all individuals, use at least the first initial and last name. Cell phone number for the individual can be added as an option.</td>
</tr>
<tr>
<td></td>
<td>ICS Position</td>
<td>Use this section to enter the resource's ICS position (e.g., Finance Section Chief).</td>
</tr>
<tr>
<td></td>
<td>Home Agency (and Unit)</td>
<td>Use this section to enter the resource's home agency and/or unit (e.g., Des Moines Public Works Department, Water Management Unit).</td>
</tr>
<tr>
<td>7</td>
<td>Activity Log</td>
<td>Enter the time (24-hour clock) and briefly describe individual notable activities. Note the date as well if the operational period covers more than one day.</td>
</tr>
<tr>
<td></td>
<td>Date/Time</td>
<td>Activities described may include notable occurrences or events such as task assignments, task completions, injuries, difficulties encountered, etc.</td>
</tr>
<tr>
<td></td>
<td>Notable Activities</td>
<td>This block can also be used to track personal work habits by adding columns such as &quot;Action Required,&quot; &quot;Delegated To,&quot; &quot;Status,&quot; etc.</td>
</tr>
<tr>
<td>8</td>
<td>Prepared by</td>
<td>Enter the name, ICS position/title, and signature of the person preparing the form. Enter date (month/day/year) and time prepared (24-hour clock).</td>
</tr>
<tr>
<td></td>
<td>Name</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Position/Title</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Signature</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Date/Time</td>
<td></td>
</tr>
</tbody>
</table>
SECTION 6: COMMUNICATIONS

Skagit PUD has several communication methods that can be used in an incident response. Like the assignment of an EOC, the use of a communication method will be determined and sometimes limited by the size and scope of an incident, the extent of the damage caused by an incident, and other factors. The incident commander shall determine which method of communication is the most appropriate. Methods of communications may include:

- PUD-issued cell phones, which most PUD employees possess
- Truck-mounted and handheld radio use on VHF channel 48.5 MHz and 48.06 MHz with a call sign of KOI 657
- Physical messenger service from EOC to field teams as a last resort using PUD vehicles
- The use of the PUD’s internal intercom system

In addition, the PUD is enrolled in and uses the Government Emergency Telephone Service (GETS) and Wireless Priority Service (WPS), which gives the PUD a priority in the queue for landline (GETS) and wireless (WPS) services. The following table displays the WPS numbers and PUD (non-ICS) positions in possession of WPS credentials.

<table>
<thead>
<tr>
<th>PUD position</th>
<th>Contact</th>
<th>PUD position</th>
<th>Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electrician</td>
<td>(360) 661-3941</td>
<td>Maintenance Superintendent</td>
<td>(360) 840-6011</td>
</tr>
<tr>
<td>Distribution Superintendent</td>
<td>(360) 840-7709</td>
<td>Safety Coordinator</td>
<td>(360) 630-8534</td>
</tr>
<tr>
<td>IT Manager</td>
<td>(360) 708-3669</td>
<td>General Manager</td>
<td>(360) 853-5962</td>
</tr>
<tr>
<td>Operations Manager</td>
<td>(360) 661-4032</td>
<td>Community Relations Manager</td>
<td>(360) 661-7373</td>
</tr>
<tr>
<td>Engineering Manager</td>
<td>(360) 853-6305</td>
<td>Engineering Supervisor</td>
<td>(360) 630-9972</td>
</tr>
<tr>
<td>Network Administrator</td>
<td>(360) 826-2663</td>
<td>Operations Project Coordinator</td>
<td>(360) 707-1504</td>
</tr>
<tr>
<td>Chief Storekeeper</td>
<td>(360) 661-3940</td>
<td>Maintenance Foreman</td>
<td>(360) 661-6773</td>
</tr>
<tr>
<td>WTP Superintendent</td>
<td>(360) 333-5607</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The PUD shall use the media outreach planning already contained in the PUD’s Communications Plan to determine communications procedures related to an incident.

SECTION 7: NOTIFICATIONS

Notifications can be as localized as informing a particular set of PUD customers that they will be out of water while repairs to a transmission line are made or as far-reaching as notifying the entire county that the PUD cannot produce potable water due to an earthquake or other major incident. The PUD uses CodeRed services to determine who it needs to contact in the area affected by emergency conditions. This section is a listing of many of the possible notifications that may apply in certain situations. The incident commander is responsible for determining which messages apply and who will be responsible for composing and releasing statements. Suggested responsible ICS personnel are listed with the notifications in the following tables alongside agencies and stakeholders who need to receive notifications.
<table>
<thead>
<tr>
<th>Condition</th>
<th>Staff Responsible</th>
<th>Notification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disruption to potable water delivery for any reason, including:</td>
<td>IC, PIO, others as directed</td>
<td>• News/media outlets</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• To customers based on location and scope of shortage</td>
</tr>
<tr>
<td>Flooding</td>
<td>OPS S/C</td>
<td>• Notify outside agencies of shortage:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>✓ Skagit County Dept. of Emergency Management</td>
</tr>
<tr>
<td></td>
<td></td>
<td>✓ WA Dept. of Emergency Management</td>
</tr>
<tr>
<td></td>
<td></td>
<td>✓ Skagit County Fire Marshall</td>
</tr>
<tr>
<td></td>
<td></td>
<td>✓ County/City Public Works</td>
</tr>
<tr>
<td></td>
<td></td>
<td>✓ Skagit County Public Health</td>
</tr>
<tr>
<td></td>
<td></td>
<td>✓ WA Dept. of Health</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Contact city of Anacortes for possible intertie use</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Contact Samish Farms Water Assoc., Bow-Edison Water, and high-volume users to curtail water use</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Contact fire districts regarding hydrant use curtailment</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Consider contacting priority customers such as hospitals, dialysis centers, school districts, adult living centers, and nursing homes for curtailment and assisting with directing to other sources of potable water</td>
</tr>
<tr>
<td></td>
<td></td>
<td>✓ List of priority customers provided in a separate table</td>
</tr>
<tr>
<td>Damage Repair</td>
<td>Work with Finance to procure contracts in the event of an emergency</td>
<td></td>
</tr>
<tr>
<td>As directed</td>
<td>Contact Washington Water/Wastewater Agency Response Network to request resources from outside agencies</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Contact vendors and other agencies for assistance, as needed</td>
<td></td>
</tr>
</tbody>
</table>

### Priority Customers

<table>
<thead>
<tr>
<th>Agency name</th>
<th>Type of business</th>
<th>Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skagit Regional Health</td>
<td>Hospital</td>
<td>(360) 424-4111</td>
</tr>
<tr>
<td>United General Hospital</td>
<td>Hospital</td>
<td>(360) 856-6021</td>
</tr>
<tr>
<td>Fresenius Medical Care</td>
<td>Kidney dialysis</td>
<td>(360) 336-2978</td>
</tr>
<tr>
<td>DaVita Kidney Care</td>
<td>Kidney dialysis</td>
<td>(360) 305-1704</td>
</tr>
<tr>
<td>Cascade Dialysis</td>
<td>Kidney dialysis</td>
<td>(360) 755-0876</td>
</tr>
<tr>
<td>Prestige Care &amp; Rehabilitation</td>
<td>Nursing home</td>
<td>(360) 755-0711</td>
</tr>
<tr>
<td>Life Care Center of Mount Vernon</td>
<td>Nursing home</td>
<td>(360) 424-4258</td>
</tr>
<tr>
<td>Mira Vista Care Center</td>
<td>Nursing home</td>
<td>(360) 424-1320</td>
</tr>
<tr>
<td>Life Care Center of Skagit County</td>
<td>Nursing home</td>
<td>(360) 856-6867</td>
</tr>
<tr>
<td>Skagit Valley College</td>
<td>State college</td>
<td>(360) 416-7600</td>
</tr>
<tr>
<td>Anacortes School District</td>
<td>Public school district</td>
<td>(360) 503-1200</td>
</tr>
<tr>
<td>Burlington-Edison School District</td>
<td>Public school district</td>
<td>(360) 757-3311</td>
</tr>
<tr>
<td>Concrete School District</td>
<td>Public school district</td>
<td>(360) 853-4000</td>
</tr>
<tr>
<td>Conway School District</td>
<td>Public school district</td>
<td>(360) 445-5785</td>
</tr>
<tr>
<td>La Conner School District</td>
<td>Public school district</td>
<td>(360) 466-3171</td>
</tr>
<tr>
<td>Mount Vernon School District</td>
<td>Public school district</td>
<td>(360) 428-6110</td>
</tr>
<tr>
<td>Sedro-Woolley School District</td>
<td>Public school district</td>
<td>(360) 855-3500</td>
</tr>
</tbody>
</table>
SECTION 8: RESOURCES

Industry-specific Emergency Resources (Mutual Aid)

The PUD is a Washington Water/Wastewater Agency Response Network (WAWARN) member and maintains a mutual aid agreement at https://wawarn.org/documents/warn-mutual-aid-agreement.pdf. This mutual aid agreement should be accessed any time the PUD is having difficulty obtaining materials, personnel, or equipment.

The PUD maintains a mutual aid agreement with the Washington Department of Emergency Management. A copy of the mutual aid agreement is attached to this ERP as Figure 2. This mutual aid agreement should be accessed any time the PUD is having difficulty obtaining resources of materials, personnel, or equipment, and any time an incident has the potential to be regional (involving most of Skagit County and/or parts of neighboring counties).

Outside Resources

The tables below are intended to list planning partners, partner response organizations, regulatory agencies, and other organizations that assist the PUD in preparing for and responding to many types of incidents.

Local agency contacts

<table>
<thead>
<tr>
<th>Agency</th>
<th>Type of business</th>
<th>Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skagit 911 Emergency Communications</td>
<td>10-digit emergency</td>
<td>(360) 336-3131</td>
</tr>
<tr>
<td></td>
<td>Routine business</td>
<td>(360) 428-3200</td>
</tr>
<tr>
<td></td>
<td>Non-emergency</td>
<td>(360) 428-3211</td>
</tr>
<tr>
<td>Mount Vernon Police</td>
<td>Non-emergency</td>
<td>(360) 336-6271</td>
</tr>
<tr>
<td>Burlington Police</td>
<td>Non-emergency</td>
<td>(360) 755-0921</td>
</tr>
<tr>
<td>Sedro-Woolley Police</td>
<td>Non-emergency</td>
<td>(360) 855-0111</td>
</tr>
<tr>
<td>Skagit County Sheriff</td>
<td>Non-emergency</td>
<td>(360) 336-9450</td>
</tr>
<tr>
<td>Mount Vernon Fire Department</td>
<td>Non-emergency</td>
<td>(360) 336-6277</td>
</tr>
<tr>
<td>Burlington Fire Department</td>
<td>Non-emergency</td>
<td>(360) 755-0261</td>
</tr>
<tr>
<td>Sedro-Woolley Fire Department</td>
<td>Non-emergency</td>
<td>(360) 855-2252</td>
</tr>
<tr>
<td>Skagit County Fire Marshal</td>
<td>Routine business</td>
<td>(360) 416-1841</td>
</tr>
<tr>
<td>Skagit County Health Department</td>
<td>Routine business</td>
<td>(360) 336-9380</td>
</tr>
<tr>
<td></td>
<td>After-hours pager</td>
<td>(360) 336-9401</td>
</tr>
<tr>
<td>Skagit County Department of Emergency Management</td>
<td>Routine business</td>
<td>(360) 428-3250</td>
</tr>
<tr>
<td>Anacortes WTP</td>
<td>Routine business</td>
<td>(360) 428-1598</td>
</tr>
<tr>
<td>Samish Farms Water Association</td>
<td>Routine business</td>
<td>(360) 766-7218</td>
</tr>
</tbody>
</table>
### State agency contacts

<table>
<thead>
<tr>
<th>Agency</th>
<th>Type of business</th>
<th>Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Washington State Patrol</td>
<td>10-digit emergency</td>
<td>(360) 757-1175</td>
</tr>
<tr>
<td>Division of Drinking Water – NW Regional Office</td>
<td>Non-emergency</td>
<td>(360) 757-7553</td>
</tr>
<tr>
<td></td>
<td>After-hours</td>
<td>(253) 395-6750</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(877) 481-4901</td>
</tr>
<tr>
<td>Department of Health – State Testing Laboratory</td>
<td>All business</td>
<td>(206) 361-2800</td>
</tr>
<tr>
<td>Washington State – Emergency Management Division</td>
<td>Routine</td>
<td>(253) 512-7000</td>
</tr>
<tr>
<td></td>
<td>10-digit emergency</td>
<td>(800) 258-5990</td>
</tr>
<tr>
<td>Department of Ecology – Spill Response</td>
<td>All business</td>
<td>(360) 407-6300</td>
</tr>
<tr>
<td>Department of Ecology – Dam Safety Office</td>
<td>All business</td>
<td>(360) 407-6603</td>
</tr>
<tr>
<td></td>
<td>Emergency and after-hours</td>
<td>(360) 972-4426</td>
</tr>
</tbody>
</table>

### Federal and national agency contacts

<table>
<thead>
<tr>
<th>Agency</th>
<th>Type of business</th>
<th>Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>FBI – Seattle Field Office</td>
<td>All business</td>
<td>(206) 662-0460</td>
</tr>
<tr>
<td>US Army – Petroleum and Water Systems</td>
<td>All business</td>
<td>(586) 574-4101</td>
</tr>
<tr>
<td>US Army – Corps of Engineers, Office of Dam Safety</td>
<td>Dam business</td>
<td>(206) 764-3750</td>
</tr>
<tr>
<td>Poison Control Center</td>
<td>All business</td>
<td>(800) 222-1222</td>
</tr>
</tbody>
</table>

### Regional Utilities

<table>
<thead>
<tr>
<th>Company name</th>
<th>Type of business</th>
<th>Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ziply Fiber</td>
<td>All business</td>
<td>(866) 699-4759</td>
</tr>
<tr>
<td></td>
<td>Construction and repairs</td>
<td>(360) 403-5181</td>
</tr>
<tr>
<td>Puget Sound Energy</td>
<td>Engineering business</td>
<td>(360) 707-7536</td>
</tr>
<tr>
<td></td>
<td>Downed lines</td>
<td>(360) 707-7521</td>
</tr>
<tr>
<td></td>
<td>After-hours</td>
<td>(425) 882-4681</td>
</tr>
<tr>
<td>Cascade Natural Gas</td>
<td>Urgent and after-hours</td>
<td>(888) 522-1130</td>
</tr>
<tr>
<td>Williams Northwest Pipeline</td>
<td>All business</td>
<td>(800) 972-7733</td>
</tr>
</tbody>
</table>

### System Parts, Repair and Service Resources

<table>
<thead>
<tr>
<th>Company name</th>
<th>Type of materials</th>
<th>Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ferguson Enterprises</td>
<td>Water system parts</td>
<td>(425) 486-9600</td>
</tr>
<tr>
<td>HD Fowler</td>
<td>Water system parts</td>
<td>(360) 734-8400</td>
</tr>
<tr>
<td>Iconix Waterworks</td>
<td>Water system parts</td>
<td>(360) 707-5958</td>
</tr>
<tr>
<td>Core and Main</td>
<td>Water system parts</td>
<td>(360) 734-4210</td>
</tr>
<tr>
<td>Case Marine</td>
<td>R/O system repair and parts</td>
<td>(206) 352-8000</td>
</tr>
<tr>
<td>Beckwith &amp; Kuffel, Inc.</td>
<td>Pump repair, parts, service</td>
<td>(206) 948-4948</td>
</tr>
<tr>
<td>Williams Northwest Pipeline</td>
<td>Equipment rental</td>
<td>(800) 972-7733</td>
</tr>
<tr>
<td>Hertz Rental</td>
<td>Equipment rental</td>
<td>(360) 707-5571</td>
</tr>
<tr>
<td>Birch Equipment</td>
<td>Equipment rental</td>
<td>(360) 428-7788</td>
</tr>
<tr>
<td><strong>Smith Tractor</strong></td>
<td>Equipment rental</td>
<td>(360) 424-3291</td>
</tr>
<tr>
<td>---------------------------</td>
<td>------------------</td>
<td>----------------</td>
</tr>
<tr>
<td><strong>Concrete NW</strong></td>
<td>Concrete</td>
<td>(360) 757-7811</td>
</tr>
<tr>
<td><strong>Skagit Ready Mix</strong></td>
<td>Concrete</td>
<td>(360) 856-0422</td>
</tr>
<tr>
<td><strong>Cascade Northwest</strong></td>
<td>Portable toilets</td>
<td>(360) 428-4849</td>
</tr>
<tr>
<td><strong>Milky Way – Lynden</strong></td>
<td>Water tank trucks</td>
<td>(800) 546-1851</td>
</tr>
<tr>
<td><strong>Cimarron Trucking – Anacortes</strong></td>
<td>Water tank trucks</td>
<td>(360) 416-6154</td>
</tr>
<tr>
<td><strong>Roy Carlson Trucking – Stanwood</strong></td>
<td>Water tank trucks</td>
<td>(360) 629-4542</td>
</tr>
<tr>
<td><strong>Edge Analytical</strong></td>
<td>Edge Analytical</td>
<td>(800) 755-9295</td>
</tr>
</tbody>
</table>

**Skagit PUD Resources**

Skagit PUD has at its disposal several assets that may be useful to meet its own emergency needs and those of other agencies in need during an emergency. The general manager or incident commander shall decide which assets and equipment shall be lent to other agencies under the advice of the PUD workgroups that generally use it.

Personal protective equipment (PPE) shall be used to protect employees from identified hazards in compliance with Washington Administrative Code rules and PUD policy. A state of emergency does not suspend the need to use proper PPE. An emergency use does not warrant PPE as the first and last line of protection for PUD employees. PPE shall be issued to PUD employees from the warehouse. Emergency conditions allow managers and supervisors to access the warehouse and distribute PPE as needed without storekeeper supervision. However, a strict accounting of what was issued and the number of items given out shall be kept by those who access the warehouse for this purpose.
INTERGOVERNMENTAL AGREEMENT
FOR EMAC AND PNEMA ASSISTANCE BETWEEN

Washington Military Department AND Public Utility District of Skagit County # 1
Bldg #20, M.S.TA-20 1415 Freeway Drive
Camp Murray, Washington 98430-5122 Mount Vernon, WA 98273

FAX: 253.512.7203 PHONE: 360.848.4475 FAX: 360.848.4432
Contact Person: Mark Douglas Contact Person: Jay Sedivy
Email: mark.douglas@mil.wa.gov Email: sedivy@skagitpud.org
Phone: 253.512.7097

Contact Person: Alisha Osborne
Email: alisha.osborne@mil.wa.gov
Phone: 253.512.7055

UBI: 297-000-991

Start Date: Upon Signature End Date: 5 Years After Start Date

1. INTRODUCTION:
This Intergovernmental Agreement (Agreement), pursuant to Ch. 38.10 RCW (Emergency Management Assistance Compact (EMAC)), ch. 39.34 RCW (Interlocal Cooperation Act), ch. 38.52 RCW (Emergency Management Act), and the Pacific Northwest Emergency Management Arrangement (PNEMA), is made and entered into by and between the Washington State Military Department through its Emergency Management Division (EMD), and the local jurisdiction within the State of Washington identified above, hereinafter referred to as “Jurisdiction”. EMD, through these authorities, coordinates interstate mutual aid according to the model presented in the National Strategy for Homeland Security. EMAC, Chapter 38.10 RCW, and Public Law 104-321, authorize and direct the deployment of certain necessary mutual aid between the EMAC participants, who are currently all fifty states, Puerto Rico, Guam, the U.S. Virgin Islands, and the District of Columbia. PNEMA and Public Law 105-381 authorize and direct the deployment of certain necessary mutual aid between the PNEMA participants, who are currently the States of Alaska, Idaho, Oregon, and Washington, the Canadian Province of British Columbia, and the Yukon Territory. This Agreement provides for the use of authorized resources (including employees and equipment) of the Jurisdiction in responding to requests for EMAC or PNEMA assistance from a participating party in which EMD has identified authorized resources of the Jurisdiction that are qualified and immediately available to deploy and perform the requested EMAC or PNEMA assistance in a requesting participating party.

2. SCOPE:
Pursuant to this Agreement, the authorized resources of the Jurisdiction will be deployed to provide EMAC or PNEMA assistance. When the deployed authorized resources of the Jurisdiction are employees of the Jurisdiction, those Jurisdiction employees will be treated as state employees for purposes of EMAC or PNEMA deployment only and will be entitled to the rights and benefits under: EMAC or PNEMA available to state officers and employees, but not for any other purpose. The Jurisdiction will be reimbursed for authorized costs incurred as a result of authorized resource deployment as provided in this Agreement.

3. Authorization and Deployment of Resources
a. This Agreement is not an authorization to deploy. EMAC and PNEMA deployment of the Jurisdiction's resources under this Agreement shall only be authorized as provided in a completed amendment to this Agreement in the form of “Attachment A” that has been mutually executed by the parties. The Jurisdiction shall not deploy any resources under this Agreement except in compliance with such authorization. No reimbursement will be provided for resources deployed inconsistent with such authorization.

EMAC & PNEMA IGA
Page 1 of 4
Skagit County PUD#1, U21-014
b. Jurisdiction resources authorized for deployment under this Agreement (the “authorized resources”) are only those listed on mutually executed amendments in the form attached hereto as “Attachment A” that references this Agreement by number and includes the authorized charge code, EMAC or PNEMA mission number and disaster name, identification of the authorized resource (employee/equipment), description of the anticipated EMAC or PNEMA duties, maximum reimbursement, estimated duration of deployment, reporting location, point of contact at the destination, and completed verification of credentials.

4. Financial Management and Reimbursement

a. The Military Department will reimburse the Jurisdiction for the expenses of authorized resources deployed under this Agreement up to the maximum amount provided for herein to the extent supported by proper documentation establishing the expenses were actually incurred pursuant to authorized deployment under the Agreement. No reimbursement will be provided for resources deployed inconsistent with the authorization contained in a completed amendment to this Agreement in the form attached hereto as “Attachment A” that has been mutually executed by the parties.

b. The authorized resource expenses that may be reimbursed are only those contained in a completed amendment to this Agreement in the form attached hereto as “Attachment A” that has been mutually executed by the parties, and include employee salary, benefits, overtime, air and land travel expenses, lodging, and per diem; and equipment use and operation costs. Unless this Agreement is amended by Attachment A to provide otherwise, lodging and per diem shall only be reimbursed in accordance with the Federal General Services Administration (GSA) rates for the applicable deployment location existing at the time of deployment under this Agreement, which are located at http://www.gsa.gov/portal/category/21287.

c. The maximum amount of reimbursement for Fire District and Fire Department authorized resources shall be based on the State Fire Chiefs Rate Schedule in effect at the time of deployment, which is incorporated herein by reference. For all other Jurisdictions, the maximum amount of reimbursement for authorized employee expenses under this Agreement shall be the lesser of (1) the maximum amount identified in the mutually executed Attachment A to this Agreement and amendments thereto, or (2) the amount that the employee would have received in the absence of this Agreement. In no case will reimbursement for authorized resources of any Jurisdiction (including Fire Districts and Fire Departments) exceed the maximum estimated total resource cost identified in the mutually executed Attachment A or a subsequent mutually executed written amendment thereto in the same form.

d. The Jurisdiction shall maintain books, records, documents, receipts and other evidence which sufficiently and properly support and reflect all costs and expenditures authorized by this Agreement. These records shall be subject to inspection, review or audit during normal business hours by authorized Department personnel or its designee(s), the Office of the State Auditor, and federal officials so authorized by law. Such books, records, documents, receipts and other material relevant to this Agreement shall be retained for six (6) years after expiration.

e. The Jurisdiction will submit a final state invoice voucher identifying this Agreement and the appropriate charge code to the Military Department within 45 days after return by the deployed authorized resource, and must include documentation and receipts supporting all claimed reimbursement. The Jurisdiction agrees to immediately comply with any request by EMD for additional supporting documentation or receipts.

5. Resource Management

a. The Jurisdiction agrees that it will only deploy employees as authorized resources under this Agreement who are fully qualified and capable of performing the duties described in the completed and mutually executed Attachment A and under the conditions described therein. The Jurisdiction agrees that if any of its employees deployed as an authorized resource under this Agreement are determined by the EMAC or PNEMA requesting participant, in its sole discretion, to not meet this requirement, those employees may in the sole discretion of the EMAC or PNEMA requesting
participant be returned to the Jurisdiction from which they deployed at the sole cost and expense of the Jurisdiction, and the cost and expense of deploying and returning the employee(s) will not be reimbursed under this Agreement. Such qualifications and capabilities shall include, but not be limited to, the following:

1) Has completed training for ICS 100, 700 and 800;
2) Has received training customary or required for the position for which they are being deployed;
3) Currently possesses all certifications and licenses required in the state of Washington to perform the duties for which they are being deployed;
4) Has past experience operating in the position for which they are being deployed; and
5) Has the ability to fully and effectively perform all duties of the position for which they are being deployed.

The Jurisdiction agrees to maintain documentation of its authorized employee's qualifications and capabilities, and sign a completed Verification of Credentialing form as provided in Attachment A as part of any amendment authorizing resource deployment under this Agreement.

b. The Jurisdiction agrees that if any of its employees deployed as an authorized resource under this Agreement exhibit behavior, conduct or other condition that, in the sole discretion of the EMAC or PNEMA requesting participant, interferes with the employee’s ability to perform the duties for which they are deployed, that employee may, in the sole discretion of the EMAC or PNEMA requesting participant, be returned to the Jurisdiction from which they deployed at the sole cost and expense of the Jurisdiction, and such cost and expense will not be reimbursed under this Agreement.

c. The Jurisdiction agrees that it will only deploy equipment as an authorized resource under this Agreement that is in good working order and condition when deployed. Any such equipment determined by the EMAC or PNEMA requesting participant in its sole discretion not to have been in good working order or condition at the time of deployment may, in the EMAC or PNEMA requesting participant's sole discretion, be returned to the Jurisdiction from which it was deployed at the sole cost and expense of the Jurisdiction, and the cost and expense of deploying and returning the equipment will not be reimbursed under this Agreement.

d. The Jurisdiction agrees that its employees deployed under this Agreement will be required by the Jurisdiction to conduct themselves in a professional and ethical manner throughout the period of deployment, consistent with all laws, regulations and policies applicable to the Jurisdiction and its employees.

e. Hold Harmless. To the extent allowed by law, each party shall defend, protect and hold harmless the other party from and against any claims, suits, and/or actions arising from any negligent act or omission of that party’s employees, agents and or authorized representatives while performing under this Agreement.

6. Alterations And Amendments

This Agreement and any of its Attachments may only be altered or amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties. All other terms and conditions of this Agreement shall remain in full force and effect and binding upon the parties.

7. Termination

Either party may terminate this Agreement upon thirty (30) days prior written notification to the other party. 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.

8. All Writings Contained Herein

This Agreement contains all the terms and conditions agreed upon by the parties. 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.
IN WITNESS WHEREOF, the parties have executed this Agreement.

For the Department:

BY: [Signature] 6/4/2021
Regan Anne Hesse
Chief Financial Officer
Washington Military Department

BOILERPLATE APPROVED AS TO FORM:

Brian Buchholz 7/10/2018
Assistant Attorney General

For the Jurisdiction:

BY: [Signature] 5/1/2021
Jay Sedivy
Safety & Risk Coordinator
Public Utility District of Skagit County #1
SECTION 9: ALTERNATE WATER SUPPLIES

One of Skagit PUD’s priorities in response to and recovery from an emergency incident is ensuring the continuing provision of potable water. If the PUD’s distribution system fails to any degree, it is appropriate to find potable water first from approved sources. Determination of what resource to use will depend on several factors, including the expected duration of the incident, the overall number of customers affected, and the area’s transportation infrastructure condition.

Below are some approved sources of water and water transport services to consider during an emergency.

Alternate Water Sources

<table>
<thead>
<tr>
<th>Source</th>
<th>Type</th>
<th>Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Anacortes</td>
<td>Intertie</td>
<td>(360) 428-1598</td>
</tr>
<tr>
<td>Samish Farms Water Association</td>
<td>Bulk/consumer</td>
<td>(360) 421-5563</td>
</tr>
<tr>
<td>Town of Concrete</td>
<td>Bulk/consumer</td>
<td>(360) 853-8714</td>
</tr>
<tr>
<td>Town of Hamilton</td>
<td>Bulk/consumer</td>
<td>(360) 826-3983</td>
</tr>
<tr>
<td>City of Lyman</td>
<td>Bulk/consumer</td>
<td>(360) 661-6417</td>
</tr>
<tr>
<td>Niagara Bottling</td>
<td>Bottled</td>
<td>(800) 546-1851</td>
</tr>
<tr>
<td>Roy Carlson Trucking – Stanwood</td>
<td>Water tank trucks</td>
<td>(360) 629-4542</td>
</tr>
<tr>
<td>Milky Way – Lynden</td>
<td>Water tank trucks</td>
<td>(800) 546-1851</td>
</tr>
<tr>
<td>Cimarron Trucking – Anacortes</td>
<td>Water tank trucks</td>
<td>(360) 416-6154</td>
</tr>
</tbody>
</table>

If emergency water is needed and the PUD’s distribution or treatment systems are compromised, soliciting a vendor for a water trailer transported on a Class A truck is an approved option. There are vendors nationwide who provide mobile potable water trailer services. Below are some vendors who offer this service to Skagit County.

Trucked Water Delivery Services

The following table is a listing of services that provide a truck, disinfected potable water, and a driver.

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Website</th>
<th>Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have Water Will Travel</td>
<td><a href="http://www.hwwt.net">www.hwwt.net</a></td>
<td>(360) 661-5353</td>
</tr>
<tr>
<td>Water Buffalo, Inc.</td>
<td><a href="http://www.waterbuffaloinc.net">www.waterbuffaloinc.net</a></td>
<td>(253) 863-8883</td>
</tr>
<tr>
<td>Crewzers</td>
<td><a href="http://www.crewzers.com">www.crewzers.com</a></td>
<td>(866) 665-4954</td>
</tr>
</tbody>
</table>

The following table is a listing of services that provide a truck and a driver. Bulk water would need to be supplied.

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roy Carlson Trucking – Stanwood</td>
<td>(360) 629-4542</td>
</tr>
<tr>
<td>Milky Way – Lynden</td>
<td>(800) 546-1851</td>
</tr>
<tr>
<td>Cimarron Trucking – Anacortes</td>
<td>(360) 416-6154</td>
</tr>
</tbody>
</table>

The PUD has three bulk water fill stations. Whether they can be used during an emergency depends on whether the station has power and water pressure, among other things. However, if they do have power and water pressure, they can help supply customers with water if a method
of delivery is devised. Information about the bulk fill stations can be found at https://www.skagitpud.org/services/bulk-water-filling-stations/.

**Bulk Water Fill Stations**

<table>
<thead>
<tr>
<th>Station Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>21020 Greenfield Street, Conway</td>
</tr>
<tr>
<td>18994 Bow Hill Road, Burlington</td>
</tr>
<tr>
<td>24972 Minkler Road, Sedro-Woolley</td>
</tr>
</tbody>
</table>

**SECTION 10: PREVENTION, RESPONSE & RECOVERY PLANS**

Section 10 outlines the basis for preparing for, preventing (when possible), responding to, and recovering from most types of emergent situations. Most of the plans are derived from EPA-provided templates, while some are based on available industry planning tools.

The previous ERP sections define some of the actions and considerations that can exist during many emergencies. Similarly, one type of emergency can occur or evolve because of the presence of a previous incident. Therefore, it may be necessary to consider the guidance in more than one of the specific incident guides in this section at a time. Likewise, an incident may not require all of the actions listed for consideration in the guidance. Good planning, communication, and assessment should be used to determine quickly how detailed the response needs to be.

As stated previously, not every situation encountered may be represented in this section. If the PUD is experiencing a problem for which there is no clear direction or where the guidance does not seem to fit, the incident commander and his/her staff officers need to use their best judgment to decide which of the plans will best work to meet the required response.
A. Flooding

Planning & Preventative Actions
- Monitor local weather reports and National Oceanic and Atmospheric Administration stream data for local streams such as the Skagit, Samish, and Baker Rivers.
- Begin considering the use of emergency water supplies if the level of this event threatens the PUD’s ability to treat or distribute potable water.
- When possible, consult FEMA flood maps to help determine the areas most likely to be flooded—or use knowledge of lowest-lying areas to determine this best.
- Conduct routine preventative maintenance and regular function checks of all radio and other communications equipment.
- Ensure ICS and supporting staff are capable of responding to floods that affect the PUD’s capabilities.
- Anticipate and plan for power loss.
- Identify areas where vehicles and other equipment may be moved to protect them from rising flood waters.
- Secure electronics and essential data as high above the anticipated high-water mark as possible.
- Clear drains and protect PUD property with sandbags wherever needed and possible.
- Fill water reservoirs as much as possible to maximize storage.
- Anchor down or move items that may float away in flood waters.
- Fill the fuel tanks of all vehicles and equipment; and fill all available diesel and gas cans.
- Decide which critical infrastructure facilities may be impacted and consider shutting them down.
- If enough notice of an impending flood is given, notify Skagit County Emergency Management of the PUD’s status to respond; assign a representative to the DEM’s EOC.
- Request and offer assistance in WAWARN based on the PUD’s level of preparedness before an imminent flood.

Initial District Response
- Determine if the provisions of PUD Policy #1032, Ensuring Continuity of Operations are appropriate, including a possible declaration of emergency.
- Caution all employees regarding flooding hazards such as water over roadways, debris, and downed electrical utilities.
- General manager or incident commander must determine if PUD main campus must be evacuated or staffed to respond.
- General manager or incident commander must determine which facility it shall respond from and whether to implement the ICS response structure.
- Managers and supervisors must account for all employees in their groups and report to general manager or incident commander.
- Employees must make all efforts to ensure their safety and let supervisors know their status and availability to respond to flooding and the recovery effort to follow.

Response Actions
- Conduct damage assessments and prioritize repairs and other actions.
- Ensure water treatment and distribution systems are functioning properly and intact.
- Turn off any unneeded utilities to prevent damage and reduce electrical and explosive hazards
- Ensure pressure is maintained throughout the distribution system and isolate sections where pressure is unable to be maintained or where leaks have occurred
- Ensure water quality remains compliant with potability standards
- If water quality is compromised, prepare a boil water advisory notice
- Notify Washington Department of Health and Skagit County DEM if operations and/or water quality/quantity are affected
- Consider the use of alternate water sources
- Determine best possible routes to access facilities for employees
- Coordinate debris clearance with Skagit County DEM as needed
- Use backup power generators as needed to supply power to critical water treatment and distribution facilities
- Coordinate fuel deliveries to power generators
- Maintain contact with Puget Sound Energy to keep informed of power outage estimates
- Re-assess the need for WAWARN or other mutual aid resources to continue addressing damages caused by flooding
B. Earthquake

Planning & Preventative Actions
- Ensure that PUD-owned electronic devices are enabled to receive ShakeAlert notifications
- Conduct periodic earthquake drills throughout the District
- Ensure fixtures, furniture, and other objects are secured, so they are less likely to fall during an earthquake
- Anchor or improve tanks and other structures to withstand earthquake forces and movements better
- Begin considering the use of emergency water supplies if the level of this event threatens the PUD’s ability to treat or distribute potable water
- Conduct routine preventative maintenance and regular function checks of all radio and other communications equipment
- Ensure ICS and supporting staff are capable of responding to earthquakes that affect the PUD’s capabilities
- Anticipate and plan for power loss

Initial District Response
- Determine if the provisions of District Policy #1032, Ensuring Continuity of Operations are appropriate, including a possible declaration of emergency
- Instruct all PUD employees to drop as low to the ground as possible, take cover under something such as a desk, and hold on to prevent being dislodged and exposed to falling materials

NOTE: employees in the field should look for open space away from objects that might fall on them instead of looking for cover
- Caution all employees regarding the hazards of earthquakes such as damaged roadways, debris, and downed electrical utilities.
- General manager or incident commander must determine if PUD main campus must be evacuated or staffed to respond
- General manager or incident commander must determine which facility it shall respond from and whether to implement the ICS response structure
- Managers and supervisors must account for all employees in their groups and report to general manager or incident commander
- Employees must make all efforts to ensure their safety and let supervisors know their status and availability to respond to flooding and the recovery effort to follow

Response Actions
- Conduct a damage inspection of A and B dams at Judy Reservoir, initiate dam breach response plan if needed
- Determine if the provisions of PUD Policy #1032, Ensuring Continuity of Operations, are appropriate, including a possible declaration of emergency
- Conduct damage assessments and prioritize repairs and other actions
- Ensure water treatment and distribution systems are functioning properly and intact
- Inspect wells for damage caused by soil liquefaction
- Turn off any unneeded utilities to prevent damage and reduce electrical and explosive hazards
- Turn off water meters at destroyed homes and buildings
- Ensure pressure is maintained throughout the distribution system and isolate sections where pressure is unable to be maintained or where leaks have occurred
- Ensure water quality remains compliant with potability standards
- Notify Washington Department of Health and Skagit County DEM if operations and/or water quality/quantity are affected
- Consider the use of alternate water sources
- Determine best possible routes to access facilities for employees
- Coordinate debris clearance with Skagit County DEM as needed
- Use backup power generators as needed to supply power to critical water treatment and distribution facilities
- Coordinate fuel deliveries to power generators
- Maintain contact with Puget Sound Energy to keep informed of power outage estimates
- Re-assess the need for WAWARN or other mutual aid resources to continue addressing damages
C. Tsunami

Planning & Preventative Actions

☐ Begin considering the use of emergency water supplies if the level of this event threatens the PUD’s ability to treat or distribute potable water
☐ When possible, consult FEMA flood maps to help determine the areas most likely to be flooded—or use knowledge of lowest-lying areas to determine this best
☐ Conduct routine preventative maintenance and regular function checks of all radio and other communications equipment
☐ Ensure ICS and supporting staff are capable of responding to floods that affect the PUD’s capabilities
☐ Anticipate and plan for power loss
☐ Identify areas where vehicles and other equipment may be moved to protect them from rising floodwaters
☐ Secure electronics and essential data as high above the anticipated high-water mark as possible
☐ Clear drains and protect PUD property with sandbags wherever needed and possible
☐ Fill water reservoirs as much as possible to maximize storage
☐ Fill the fuel tanks of all vehicles and equipment; and fill all available diesel and gas cans
☐ If enough notice of an impending tsunami is given, notify Skagit County DEM of the PUD’s status to respond; assign a representative to the DEM’s EOC
☐ Request and offer assistance in WAWARN based on the PUD’s level of preparedness before an imminent flood

Initial District Response

☐ Determine if the provisions of PUD Policy #1032, Ensuring Continuity of Operations are appropriate, including a possible declaration of emergency
☐ Monitor alerts and radio station information to determine the extent of tsunami reach by consulting the tsunami inundation map, which follows as Figure 3
☐ General manager or incident commander must determine if PUD main campus must be evacuated or staffed to respond

NOTE: employees in the field should evacuate to higher ground and contact their supervisors as soon as possible

☐ Caution all employees regarding the hazards of tsunamis such as damaged roadways, debris, and downed electrical utilities
☐ General manager or incident commander must determine which facility it shall respond from and whether to implement the ICS response structure
☐ Managers and supervisors must account for all employees in their groups and report to General manager or incident commander
☐ Employees must make all efforts to ensure their safety and let supervisors know their status and availability to respond to tsunami and the recovery effort to follow

Response Actions

☐ Conduct damage assessments and prioritize repairs and other actions
☐ Ensure water treatment and distribution systems are functioning properly and intact
☐ Inspect wells for damage caused by soil liquefaction
☐ Turn off any unneeded utilities to prevent damage and reduce electrical and explosive hazards
☐ Turn off water meters at destroyed homes and buildings
☐ Ensure pressure is maintained throughout the distribution system and isolate sections where pressure is unable to be maintained or where leaks have occurred
☐ Ensure water quality remains compliant with potability standards
☐ Notify Washington Department of Health and Skagit County DEM if operations and/or water quality/quantity are affected
☐ Consider the use of alternate water sources
☐ Determine best possible routes to access facilities for employees
☐ Coordinate debris clearance with Skagit County DEM as needed
☐ Use backup power generators as needed to supply power to critical water treatment and distribution facilities
☐ Coordinate fuel deliveries to power generators
☐ Maintain contact with Puget Sound Energy to keep informed of power outage estimates
☐ Re-assess the need for WAWARN or other mutual aid resources to continue addressing damages
Figure 3
D. Volcanic activity

Planning & Preventative Actions
- Ensure that PUD-owned electronic devices are enabled to receive ShakeAlert notifications
- Consult the earthquake and other planning sections as they may apply
- Begin considering the use of emergency water supplies if the level of this event threatens the PUD’s ability to treat or distribute potable water
- Conduct routine preventative maintenance and regular function checks of all radio and other communications equipment
- Ensure ICS and supporting staff are capable of responding to earthquakes that affect the PUD’s capabilities
- Anticipate and plan for power loss

Initial District Response
- Determine if the provisions of PUD Policy #1032, Ensuring Continuity of Operations are appropriate, including a possible declaration of emergency
- Monitor alerts and radio station information to determine extent of lahars by consulting the lahar map, which follows as Figure 4
- General manager or incident commander must determine if PUD main campus must be evacuated or staffed to respond

  NOTE: employees in the field should evacuate to higher ground and contact their supervisors as soon as possible

- Caution all employees regarding the hazards of volcanic activity such as damaged roadways, debris, ash/gases, and downed electrical utilities
- Cover all critical external equipment with plastic or tarp materials to prevent ash damage
- Shut down all filtering and ventilation equipment that isn’t required
- General manager or incident commander must determine if PUD main campus must be evacuated or staffed to respond
- General manager or incident commander must determine which facility it shall respond from and whether to implement the ICS response structure
- Managers and supervisors must account for all employees in their groups and report to the general manager or incident commander
- Employees must make all efforts to ensure their safety and let supervisors know their status and availability to respond and the recovery effort to follow

Response Actions
- Conduct damage assessments and prioritize repairs and other actions
- Ensure water treatment and distribution systems are functioning properly and intact
- Turn off any unneeded utilities to prevent damage and reduce electrical and explosive hazards
- Turn off water meters at destroyed homes and buildings
- Ensure pressure is maintained throughout the distribution system and isolate sections where pressure is unable to be maintained or where leaks have occurred
- Ensure water quality remains compliant with potability standards
- Notify Washington Department of Health and Skagit County DEM if operations and/or water quality/quantity are affected
- Consider the use of alternate water sources
- Determine best possible routes to access facilities for employees
- Coordinate debris clearance with Skagit County DEM as needed
- Use dry methods to sweep/vacuum before using water
- Grease and clean everything subjected to volcanic ash/dusts
- Use backup power generators as required to supply power to critical water treatment and distribution facilities
- Coordinate fuel deliveries to power generators
- Maintain contact with Puget Sound Energy to keep informed of power outage estimates
- Re-assess the need for WAWARN or other mutual aid resources to continue addressing damages
E. Wildfire

Planning & Preventative Actions

☐ Ensure that PUD facilities have a defensible area as free from excess vegetation and other combustibles as possible—the US Department of Agriculture recommends a minimum buffer of 30 feet
☐ Maintain watershed and other access roads, including ditching and vegetation control
☐ Begin considering the use of emergency water supplies if the level of this event threatens the PUD’s ability to treat or distribute potable water
☐ Conduct routine preventative maintenance and regular function checks of all radio and other communications equipment
☐ Ensure ICS and supporting staff are capable of responding to wildfires that affect the PUD’s capabilities
☐ Anticipate and plan for power loss

Initial District Response

☐ If wildfire is first detected by PUD staff, call 911 to report it
☐ Determine if the provisions of PUD Policy #1032, Ensuring Continuity of Operations are appropriate, including a possible declaration of emergency
☐ Monitor alerts and radio station information to determine the threat of wildfires to PUD facilities
☐ General manager or incident commander must determine if PUD main campus must be evacuated or staffed to respond

NOTE: employees in the field should evacuate areas that could be affected by or isolated by wildfires and contact their supervisors as soon as possible

☐ Caution all employees regarding the hazards of wildfires such as closed/damaged roadways, debris, ash/gases, and downed electrical utilities
☐ General manager or incident commander must determine if PUD main campus must be evacuated or staffed to respond
☐ General manager or incident commander must determine which facility it shall respond from and whether to implement the ICS response structure
☐ Managers and supervisors must account for all employees in their groups and report to general manager or incident commander
☐ Employees must make all efforts to ensure their safety and let supervisors know their status and availability to respond and the recovery effort to follow

Response Actions

☐ Conduct damage assessments and prioritize repairs and other actions
☐ Ensure water treatment and distribution systems are functioning properly and intact
☐ Turn off any unneeded utilities to prevent damage and reduce electrical and explosive hazards
☐ Turn off water meters at destroyed homes and buildings if safe to do so
☐ Ensure pressure is maintained throughout the distribution system and isolate sections where pressure is unable to be maintained or where leaks have occurred
☐ Ensure water quality remains compliant with potability standards
☐ Notify Washington Department of Health and Skagit County DEM if operations and/or water quality/quantity are affected
☐ Consider the use of alternate water sources
☐ Determine best possible routes to access facilities for employees
☐ Coordinate debris clearance with Skagit County DEM as needed
☐ Use backup power generators as needed to supply power to critical water treatment and distribution facilities
☐ Coordinate fuel deliveries to power generators
☐ Maintain contact with Puget Sound Energy to keep informed of power outage estimates
☐ Re-assess the need for WAWARN or other mutual aid resources to continue addressing damages
F. Structural fire

Planning & Preventative Actions
- Ensure life and fire safety inspections are routinely conducted
- Inspect and maintain all fire extinguishers
- On an annual basis, conduct at least one fire drill to familiarize employees with emergency exits and procedure
- Identify areas where vehicles and other equipment may be moved to protect them from a spreading structural fire

Initial District Response
- Determine if the provisions of PUD Policy #1032, Ensuring Continuity of Operations are appropriate, including a possible declaration of emergency
- Upon detection of smoke/fire, pull a fire alarm immediately
- Call 911 to report fire

NOTE: employees should only attempt to put out a fire with a fire extinguisher if:
  - The employee is comfortable with and trained to use a properly rated fire extinguisher.
  - The fire is the size of an office trash can or smaller.
  - Extinguishing the fire can be done safely without preventing the employee from escaping the building.

- Evacuate the building following the posted evacuation plans—included as Figure 5
- Managers and supervisors need to account for all employees in their workgroups in the emergency assembly areas
- Safety coordinator or senior PUD employee should seek out responders to brief them about the fire, building, injuries, missing employees, etc.

Response Actions
- Do not re-enter any building that has been evacuated unless allowed to do so by the fire department and PUD management
- Conduct damage assessments and prioritize repairs and other actions
- For fires at the water treatment plant, ensure water treatment and distribution systems are functioning properly and intact
- Notify Washington Department of Health and Skagit County DEM if operations and/or water quality/quantity are affected
- Determine if the provisions of PUD Policy #1032, Ensuring Continuity of Operations, are appropriate, including a possible declaration of emergency
Figure 5

WATCH FOR VEHICLES

Walk along fence line to assembling area #1

MAIN OFFICE (2nd FLOOR)
Figure 5

ALL CHAIRS AND TABLES ARE TO BE RETURNED TO THE NEAT AND ORDERLY POSITIONS IN WHICH THEY WERE FOUND

Walk along fence line to assembling area #1

Walk to North Fountain assembling area #3

Exit
Figure 5

Walk to North Fountain
assembling area #3

Walk along fence line
to assembling area #1

Walk along fence line
to assembling area #2
G. Drought

Planning & Preventative Actions
- Consider the use of water conservation actions in increasing levels as drought levels increase
- Reach out to priority customers and high-use customers to plan and coordinate water use strategies as far ahead of a drought event as possible

Response Actions
- Determine if the provisions of PUD Policy #1032, Ensuring Continuity of Operations, are appropriate, including a possible declaration of emergency
- Communicate with Washington Department of Health and Skagit County Public Health, Skagit County DEM, and other partners to discuss water availability and alternate sources for operations such as hospitals, firefighting, and irrigation
- If needed, request assistance via WAWARN for water trucks, water sampling teams, generators, etc
- Implement mandatory or voluntary water conservation measures as needed.
- Notify customers of water advisories by utilizing local media
- Utilize any established interconnections, or set up temporary connections to nearby water utilities
- Monitor source water quality and end-user water quality carefully
- Notify Washington Department of Health and Skagit County DEM of any water quality issues affecting distribution or health
- Use power generators as needed to supply power to system components, booster pumps, and cross-connections
H. Power outage

Planning & Preventative Actions

☐ Determine where the PUD’s key treatment, pumping, and distribution facilities rank on Puget Sound Energy’s power restoration priority list
☐ Conduct an assessment of all power generators and any of the materials needed to move or use them
☐ Ensure emergency generators are periodically maintained
☐ Follow emergency generator manufacturer’s operation instructions for lining up generators to supply power to treatment and distribution processes.
☐ Know how much fuel is needed to run the different generators at a certain power level

NOTE: the U.S. Army Corps of Engineers recommends using the following formula to determine fuel consumption for 24 hours:

Generator kW size x 0.07 gallons/hour/kW x 24 = gallons of fuel needed

☐ Begin considering the use of emergency water supplies if the level of this event threatens the PUD’s ability to treat or distribute potable water
☐ Conduct routine preventative maintenance and regular function checks of all radio and other communications equipment

Response Actions

☐ Determine if the provisions of PUD Policy #1032, Ensuring Continuity of Operations are appropriate, including a possible declaration of emergency
☐ Follow emergency generator manufacturer’s operation instructions for lining up generators to supply power to treatment and distribution processes.
☐ Ensure the water treatment plant transfers power from PSE service to generator by following the process in Figure 6
☐ Immediately notify Puget Sound Energy and Skagit County DEM of power outages affecting water treatment and distribution abilities and inform them how long the PUD can sustain operations without grid power and the consequences of continued power outage
☐ Turn off any unneeded utilities to prevent damage, reduce pressure problems, and reduce emergency electrical loads on generators.
☐ Notify Washington Department of Health and Skagit County DEM if operations and/or water quality/quantity are affected
☐ Consider the use of alternate water sources
☐ Determine best possible routes to access facilities for employees
☐ Coordinate debris clearance with Skagit County DEM as needed
☐ Use backup power generators as needed to supply power to critical water treatment and distribution facilities
☐ Coordinate fuel deliveries to power generators
☐ Consider using interties if neighboring water utilities are unaffected by power outages
☐ Maintain contact with Puget Sound Energy to keep informed of power outage estimates
☐ Re-assess the need for WAWARN or other mutual aid resources to continue addressing damages
Figure 6

STANDARD OPERATING PROCEDURE:

Updated 10/22/18

EMERGENCY GENERATOR TRANSFER

1. Start Generator in generator room by turning toggle from Auto to Start on control panel.

2. Go to the electrical room and find the transfer and re-transfer keys (both are normally in Auto). If the power is needed for an extended period by choice, turn the re-transfer key to the manual position. This allows manual control of when you want to go back to utility power (multiple power bumps, preemptive measures). If the keys both remain in Auto, the transfer will go from generator to utility after a set time of clean utility power available.
3. Find the service disconnect for 480V Utility Source and push the red button. There will be a loud pop. This will open the contact and contact position will be green (open). If it does not engage, pump the charging handle to the right of the buttons. This will charge the breaker so it can pull in.

4. Next, after all power has gone out and the utility source contact is green (open), you can transfer power from the generator by pushing the green button on the 480V Standby Source. The contact position will go from open (green) to closed (red). Power will transfer from the generator to the water plant.

5. While generator is running, be sure to check on it every 2-4 hours to monitor temperature, oil and fuel levels and look for any problems that may arise.

Going back to Utility Source from Standby Source...

1. If the re-transfer key was used and in the manual position, turn it back to the Auto position. After a period of time (about 15 minutes) the standby source contact will open (removing power from generator to WTP) and the utility source contact will close. Normal power will be restored.

   1.2 If the transfer and re-transfer keys were both left in Auto, then power will be restored normally when utility power is available. After the standby source contact has opened (green) and the utility source contact has closed (red) then the power will be back on from the Utility.

2. Since the generator was put in Start manually, this switch will need to be changed back to Auto. The generator will shut down briefly but likely start up when the switch reaches the Auto position. The generator will go into a cool down mode and run for several minutes.
Figure 6
# I. Algal bloom/Contamination

## Planning & Preventative Actions

- Review the list of priority customers and begin communicating with them if it appears that a harmful algal bloom or other contamination may disrupt water distribution
- Follow the Cyanotoxin Response Plan, included as Figure 7, or the E. Coli Response Plan, included as Figure 8
- Consider the use of alternate water sources, as needed

## Response Actions

- Determine if the provisions of PUD Policy #1032, Ensuring Continuity of Operations are appropriate, including a possible declaration of emergency
- Consider the use of alternate water sources or existing interties with other water utilities
- Identify any parts of the distribution system that can be isolated to limit the number of affected users
- Contact the Washington Department of Health, Skagit County Public Health, and Skagit County DEM if it appears that water contamination may impact the provision of potable water
- Consider the use of a boil water advisory or order
- Consider using the WAWARN system to solicit for assistance with testing, water distribution, and other needs
Figure 7

3/19/2018 12:39:51 PM

Cyanotoxins Response Plan for Judy Reservoir

Indicators of cyanobacteria (bluegreen algae) bloom

- pH fluctuations (high pH during the day when CO₂ is consumed and low pH at night when CO₂ is produced);
- Increased raw water turbidity;
- Increased water temperature;
- Visible increase on the algae on the water surface (scum);
- Weekly algae counts are going up.

Judy Reservoir raw water is weekly collected for algae counts and identification.

If toxin producing cyanobacteria (Mycrocystis, Anabaena, Planktothrix, Aphanizomenon and etc.) is present, species conformation can obtain by sending photos to Robin Mathews (Robin.Mathews@wwu.edu), phone 360 650 3507

If toxin producing cyanobacteria counts reach between ≥ 500 cells mL⁻¹ and < 2,000 cells mL⁻¹, samples for cyanotoxins needs to be collected and send to King County Laboratory. Contact person is Fran Sweeney, phone 206 477 7117. Preliminary results are ready in 3 days, final results within 10 days.

It is possible at this point detectable taste & odor to develop, but is not always indicator of toxic cyanobacteria. High counts of cyanobacteria is not indicative of cyanotoxins!

Steps during presence of cyanotoxins

- Stop ClO₂ prechlorination (prevents lysing the cells and releasing the cyanotoxins);
- Increase O₂ through treatment process;
- Reduce flow through plant;
- Watch coagulation/flocculation process and make adjustment as necessary;
- Determine optimal intake level from Judy;
- Notify management & DOH
- Daily sampling for cyanotoxins – raw water, pre and post-filtration, finished water & distribution.
Attachment 2

Distribution System *E. coli* Response Plan

If we have *E. coli* in our distribution system, we will immediately:

1. Call DOH.
2. Collect repeat sample, upstream and downstream samples (per Coliform Monitoring Plan). Collect additional investigative samples as necessary.
3. Inspect our water system facilities, including treatment plant proper operation.
4. Interview staff to determine whether anything unusual was happening in the water system service area, especially since the previous month’s samples.
5. Review new construction activities, water main breaks, and pressure outages that may have occurred prior the incident.
7. Discuss whether a Health Advisory (HA) is warranted based on the findings of Steps 3–6. Issue advisory if necessary.
8. Await repeat sample results and respond appropriately:
   - Repeats all satisfactory. Lift HA, if one was issued.
   - Any repeat unsatisfactory. Issue an HA if not already in place. Host DOH for a system inspection and respond appropriately to inspection findings.
J. Violence (bomb, active shooter, etc.)

Planning & Preventative Actions
☐ Openly and actively discuss threats of violence—either personal or organizational—among PUD workgroups
☐ Discuss and become familiar with the checklists for bomb threats/sabotage and active shooter, which are included as Figure 8

Response Actions
☐ Follow the checklists as closely as possible.
☐ Under no circumstances should evacuated PUD employees, customers, or other visitors re-enter PUD buildings without law enforcement and PUD management approval.
☐ Follow directions of emergency and law enforcement personnel to the letter
# Bomb Threat, Telephone Threat, Emergency Reference

**Address**

**Call 911**
- While you are on the phone or are being threatened, or as soon as possible afterward, fill out this card.
- When 911 responds, give a copy of this card to the responding officer.
- Report the incident to your supervisor/manager.
- Fill out an Incident Report, attach this original card, and give to your supervisor or Safety Coordinator. Send them to:
- Keep copies for yourself.

- **Date received**
- **Time received**
- **Phone # received from (____)___**
- **Wording of the threat**

---

**Background sounds:**
- Try to determine where call originated
  - Street noise
  - Music
  - Office machines
  - House noise
  - Motors
  - Factory machines
  - PA system
  - Animals
  - Clear
  - Voices
  - Static
  - Other

**Voice:**
- Male
- Female
- Soft
- Nasal
- Young
- Low
- Rasp
- Middle-aged
- High
- Rag
- Older
- Slow
- Creaking tooth
- Calm
- Rapid
- Heavy breather
- Angry
- Accent
- Recorded tape
- Laughed
- Slurred
- Threat read
- Cried
- Excited
- Disguised
- Distinct
- Familiar. Sounds like
- Other

**Language:**
- Well-spoken
- Disguised
- Irrational
- Poor grammar
- Foul
- Incoherent
- Slang
- Other

**Reporting:**
- 911 time called
- Responding personnel
- Reported to
- Date
- Time

**Employee information:**
- Name
- Position
- Phone # (____)___

---

**Bomb threat:** Ask the caller
1. When is the bomb going to explode?
2. Where is it right now?
3. What does it look like?
4. What kind of bomb is it?
5. What will cause it to explode?
6. Why?
7. Did you place the bomb?
8. What is your name?

**Telephone threat:** Ask the caller
1. Why do you feel we were at fault?
2. Is there anything we can do to help?
3. What is your name?
Emergency Reference
This checklist is intended to be placed next to your telephone and used as an emergency reference.

1. Active shooter
   • Run, hide, or fight
   • If in a safe room, lock the door, cover the window, fortify with furniture
   • Call 911. Give the buildings physical address and your exact location in the building
   • Stay quiet, turn phones and lights off, if possible
   • Remain calm, quiet others, treat injuries
   • Remain in room until law enforcement retrieves you, follow their commands

2. Bombs and suspicious objects
   If a bomb or suspicious object is discovered, DO NOT TOUCH IT.
   • Notify your supervisor/designee and secure the area
   • Call 911 and give exact location and description of object
   • Be aware of a possible secondary device
   • Keep people away from the affected area
   • Notify other building occupants
   • Evacuate the building when directed to do so by law enforcement

3. Bomb threats
   • Use the Bomb Threat checklist
   • Treat all bomb threats as real
   • Notify your supervisor and call 911
   • Follow directions from law enforcement
   • If directed, evacuate the building
   • Look around for suspicious items as you are leaving
   • Keep people from entering the affected areas or building

4. Evacuation
   • Follow the posted evacuation route
   • Use stairways. Do not use elevators
   • If the primary exit is blocked utilize the nearest alternate route
   • Move to the designated assembly areas
   • Remain in the assembly area until otherwise directed
   • Do not re-enter the building until authorized
   • Check yourself and others for injuries

5. Hazardous material/Suspicious item
   • Hazardous material
   • Do not open or disturb suspicious containers
   • Secure the area, notify supervisor when safe
   • Wash hands with soap and water, do not rub eyes or touch things
Figure 9

- Call 911
- Avoid contaminating others by staying a safe distance away
- If contaminated, do not leave or get in your vehicle until decontaminated by fire department responders
- Do not place others in your vehicle who have been contaminated
- Dispose of contaminated clothing in properly marked bags provided by fire department personnel
- If you are not contaminated, stay away and upwind

**Suspicious item**
- Lay the item back down on a table or desk where it is found
- Do not carry item around
- Inform supervisor, lead, or safety committee member
- Call 911 for further evaluation and assistance
- Alert all staff in the immediate area and leave the room
- Deny entry into the area except for law enforcement
- If you have the suspicious material on you, stay in the room and send others out
- Wash hands with soap, hot water, and hand sanitizer

**Once out of the room**
- Turn area over to law enforcement
- Law enforcement determines further evacuation if necessary
- Law enforcement will determine all clear

6. **Shelter in place**
- When announcement is made to shelter in place, prepare to enter the closest interior room with the fewest windows or doors possible
- Ensure all windows and doors are closed and sealed, if possible
- If possible, take a cell phone with you

**Once in the sheltering in place area:**
- Supervisor/designee should account for all staff and visitors
- Follow all instructions given by emergency authorities
- Stay away from windows to prevent injury from breaking glass
- If you suspect that gas or vapors have entered the building, take shallow breaths through a cloth or towel
- Do not leave area until clear signal has been given and follow evacuation procedures and instructions

7. **Violence in the workplace**
- Summon nearby staff and call 911

- Do not hesitate
- If under immediate threat of violence, leave the area or hide if possible.
- YELL FOR HELP
- Pull a fire alarm, if needed
- Use available objects such as chairs, natural barricades, doors, etc., to gain time for a safe exit
- If you hear or see someone being attacked call for other staff to help and call 911 for assistance
- Treat all threats as real, and report them to your supervisor
K. Water Transmission and Distribution Failure

Planning & Preventative Actions
- Maintain and replace transmission and distribution piping as often as good engineering practices and principles allow
- Keep in stock the following supplies to service a significant break in a transmission line of 16, 18, 20, 24, and 30-inch sizes:
  - Concrete cylinder pipe (CCP) to ductile iron (DI) adaptors for bell and spigot ends, with diaper
  - Four (4) 18-foot lengths minimum per available diameter size
  - Four (4) field-lock gaskets for each diameter size of DI pipe
  - Four (4) flexible couplings for each diameter size of DI pipe
  - Welding rod for CCP wire
  - Quick setting mortar
- Ensure that the PUD has access to the equipment needed to repair a transmission line or large distribution line. Anticipate needing the following:
  - Two (2) excavators at least 315LC or equivalent
  - Two (2) 10-yard dump trucks
  - One (1) service truck and backhoe
  - One (1) boom-lift truck with pads of feet and cribbing for outriggers
  - Two (2) light plants and needed generators to run equipment

District Response
- Determine if the provisions of PUD Policy #1032, Ensuring Continuity of Operations are appropriate, including a possible declaration of emergency
- Conduct damage assessments and prioritize repairs and other actions
- The first PUD employee to learn of leak will immediately notify the maintenance superintendent
- The maintenance superintendent will immediately notify the operations manager, who will then inform the general manager
- The general manager will then act or delegate incident commander duties and begin assessments and actions needed to begin repairs
- The operations manager will:
  - Determine if a transmission line shutdown is necessary
  - Contact the water treatment plant and coordinate shutdown and topping off all clear wells
  - Notify or delegate notifications of PUD customers to the community relations manager
  - With the help of the maintenance and distribution superintendents, organize field personnel into teams for getting materials put together, collecting rental equipment, collecting/deploying PUD equipment, and shutting off meters in affected areas
- The operations manager or incident commander will deploy repair and damage assessment crews
- Drain affected pipeline to reduce waste and dechlorination
- Shut down pumps from the transmission line as needed
☐ Valve for alternate sources of water for priority and high-volume customers as needed and possible
☐ Notify the following of a line break that threatens the water supply or quality of the water:
  ☑ Skagit County DEM
  ☑ Washington DOH/Skagit County Public Health
  ☑ City of Anacortes
  ☑ Priority customers
☐ Consider the use of alternate water supplies
☐ Consider using WAWARN to solicit for materials to make repairs and distribute water to affected customers
☐ Consider the use of water conservation measures and lighted signage in affected areas to decrease water use
L. Cybersecurity Incident

Planning & Preventative Actions

☐ Regularly train PUD personnel regarding the types of attacks they may see as users and the actions they must take to prevent or reduce the impact of attempted cyberattacks

☐ Ensure all systems are protected by ensuring the most up-to-date security software version possible to networked devices

☐ Ensure that backups of critical systems data are being conducted

Response Actions

☐ Determine if the provisions of PUD Policy #1032, Ensuring Continuity of Operations are appropriate, including a possible declaration of emergency

☐ Follow the actions in the PUD Cybersecurity Incident Response Plan, which follows as Figure 10
IT Security incident response

1 PURPOSE

To ensure that the designated response personnel completes a consistent, methodical, and timely incident response process after a security incident is believed to have taken place involving Skagit PUD information and information systems. This procedure will help identify if a systems resource has been compromised, limit sensitive data exposure, clean the resource(s), and determine if notification is required.

2 SCOPE

This procedure applies to all employees, contractors, and vendors, or other persons that have, or may require, access to information and information technology resources at Skagit PUD.

3 REFERENCES


4 DEFINITIONS

4.1 INCIDENT

Any activity that harms or represents a serious threat to the whole or part of the District’s computer, SCADA, telephone, and network-based resources such that there is an absence of service, inhibition of functioning systems, including unauthorized changes to hardware, firmware, software, or data, unauthorized exposure, change or deletion of information, or a crime or natural disaster that destroys access to or control of these resources. Routine detection and remediation of a "virus," "malware," or a similar issue that has little impact on the day-to-day business of the District is not considered an Incident under this Procedure.

4.2 COMPROMISE

A confirmed security incident resulting in harm to the business’s reputation, assets, information, or ability to operate.
5 IT SECURITY INCIDENT RESPONSE TEAM

5.1 INCIDENT REPORTER
All persons with access to Skagit PUD’s information resources or sensitive information are responsible for prompt and accurate notification to Skagit PUD of all suspected incidents. The incident reporter is responsible for providing complete and accurate detail regarding a suspected incident and contact information for use by the Incident Handler and the IT Security Incident Response Team.

5.2 INCIDENT HANDLER
Members of Skagit PUD’s IT team, physical security (Operations), or third-party incident Handlers (CrowdStrike) as required are responsible for implementing incident response procedures, recovery, notification, and reporting as detailed within this procedure. The incident Handler may operate alone to confirm a suspected incident or as a member of the IT Security Incident Response Team as required.

5.3 IT SECURITY INCIDENT RESPONSE TEAM (ITSIRT)
Mitigate and recover compromised systems and data in adherence to response procedures and implement any required incident handling tasks appropriate to their operational role within the ITSIRT.

5.4 IT SECURITY INCIDENT RESPONSE TEAM LEADER
The IT Manager is responsible for the IT Security Incident Response Team’s formation and coordination. The incident team leader is responsible for notifying the Communication Team of incidents and coordinating other communications and resources required by the IT Security Incident Response Team.

5.5 COMMUNICATION TEAM
The communication team consists of the General Manager, the Communications Manager, the IT Manager, and any department manager affected by the incident. The communications team is responsible for appropriate incident notification as required by state or regulatory laws in response to a confirmed incident.

6 INCIDENT NOTIFICATION

6.1 REPORTING AN INFORMATION SECURITY INCIDENT
All persons accessing and using Skagit PUD’s Information Technology resources have a responsibility to immediately report any suspected security incidents to the IT Manager or any member of the IT Team or via email at itsupport@skagitpud.org.

Incident reporters are responsible for providing as much detail as possible regarding the suspected incident when reporting or working with the Incident Handler or IT Security Incident Response Team in response to an incident report. Contact details for the individual reporting the incident must be included in the incident report.
6.2 THIRD-PARTY INCIDENTS
All third-parties, contractors, and vendors in possession of or with access to Skagit PUD's Information or information technology systems must immediately report all security incidents affecting Skagit PUD's Information or information systems.

6.3 CONTACT OF AUTHORITIES
911 should be contacted immediately for any incident that appears an immediate threat to an individual's health, safety, or life.

The IT Security incident Response Team Leader will work with the IT Security Incident Response Team to liaise with external law enforcement when and where necessary. The Communication Team will be responsible for notifying the appropriate state and federal agencies, including state law enforcement, upon determining the confirmed incident.

7 INCIDENT LEVEL DEFINITIONS

Incident level definitions provide a clear standard of definition to assist with communication and reporting of incidents within Skagit PUD and support the required decision-making needed by response actions during incident handling.

An event level is defined by the functional impact, information impact, recoverability, attack vector, and the location of observed activity.

7.1 IMPACT CATEGORY DESCRIPTIONS
The table below defines each impact category description and its associated severity levels. Use the tables below to identify impact levels and incident details.

<table>
<thead>
<tr>
<th>Impact Category</th>
<th>Category Severity Levels</th>
</tr>
</thead>
<tbody>
<tr>
<td>Functional Impact — A measure of the impact to business functionality or ability to provide services</td>
<td>NO IMPACT — Event has no impact</td>
</tr>
<tr>
<td></td>
<td>NO IMPACT TO SERVICES — Event has no impact to any business or industrial control systems (ICS) services or delivery to entity customers.</td>
</tr>
<tr>
<td></td>
<td>MINIMAL IMPACT TO NON-CRITICAL SERVICES — Some small level of impact to non-critical systems and services.</td>
</tr>
<tr>
<td></td>
<td>MINIMAL IMPACT TO CRITICAL SERVICES — Minimal impact but to a critical system or service, such as email or active directory.</td>
</tr>
<tr>
<td></td>
<td>SIGNIFICANT IMPACT TO NON-CRITICAL SERVICES — A non-critical service or system has a significant impact</td>
</tr>
<tr>
<td></td>
<td>DENIAL OF NON-CRITICAL SERVICES — A non-critical system is denied or destroyed.</td>
</tr>
<tr>
<td></td>
<td>SIGNIFICANT IMPACT TO CRITICAL SERVICES — A critical system has a significant impact, such as local administrative account compromise.</td>
</tr>
</tbody>
</table>
**Figure 10**

<table>
<thead>
<tr>
<th>Information Impact</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>NO IMPACT – No known data impact</td>
<td></td>
</tr>
<tr>
<td>SUSPECTED BUT NOT IDENTIFIED – A data loss or impact to availability is suspected, but no direct confirmation exists</td>
<td></td>
</tr>
<tr>
<td>PRIVACY DATA BREACH – The confidentiality of personally identifiable information (PII) or personal health information (PHI) was compromised</td>
<td></td>
</tr>
<tr>
<td>PROPRIETARY INFORMATION BREACH – The confidentiality of unclassified proprietary information, such as protected critical infrastructure information (PCII), intellectual property, or trade secrets was compromised</td>
<td></td>
</tr>
<tr>
<td>DESTRUCTION OF NON-CRITICAL SYSTEMS – Destructive techniques, such as master boot record (MBR) overwrite; have been used against a non-critical system</td>
<td></td>
</tr>
<tr>
<td>CRITICAL SYSTEMS DATA BREACH - Data pertaining to a critical system has been exfiltrated</td>
<td></td>
</tr>
<tr>
<td>CORE CREDENTIAL COMPROMISE – Core system credentials (such as domain or enterprise administrative credentials) or credentials for critical systems have been exfiltrated</td>
<td></td>
</tr>
<tr>
<td>DESTRUCTION OF CRITICAL SYSTEM – Destructive techniques, such as MBR overwrite; have been used against a critical system</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Recoverability</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>REGULAR – Time to recovery is predictable with existing resources</td>
<td></td>
</tr>
<tr>
<td>SUPPLEMENTED – Time to recovery is predictable with additional resources</td>
<td></td>
</tr>
<tr>
<td>EXTENDED – Time to recovery is unpredictable; additional resources and outside help are needed</td>
<td></td>
</tr>
<tr>
<td>NOT RECOVERABLE – Recovery from the incident is not possible (e.g., sensitive data exfiltrated and posted publicly)</td>
<td></td>
</tr>
</tbody>
</table>

### 7.2 Attack Vectors

The following is a taxonomy of the various threats that we may need to identify in the case of an incident.

<table>
<thead>
<tr>
<th>Attack Vector</th>
<th>Description</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unknown</td>
<td>Cause of attack is unidentified.</td>
<td>This option is acceptable if the cause (vector) is unknown upon the initial report. The attack vector may be updated in a follow-up report.</td>
</tr>
</tbody>
</table>
## Figure 10

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Description</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attrition</td>
<td>An attack that employs brute force methods to compromise, degrade, or destroy systems, networks, or services.</td>
<td>Denial of Service intended to impair or deny access to an application; a brute force attack against an authentication mechanism, such as passwords or digital signatures.</td>
</tr>
<tr>
<td>Web</td>
<td>An attack executed from a website or web-based application.</td>
<td>Cross-site scripting attack used to steal credentials or a redirect to a site that exploits a browser vulnerability and installs malware.</td>
</tr>
<tr>
<td>Email/Phishing</td>
<td>An attack executed via an email message or attachment.</td>
<td>Exploit code disguised as an attached document, or a link to a malicious website in the body of an email message.</td>
</tr>
<tr>
<td>External/Removable Media</td>
<td>An attack executed from removable media or a peripheral device.</td>
<td>Malicious code spreading onto a system from an infected flash drive.</td>
</tr>
<tr>
<td>Impersonation/Spooﬁng</td>
<td>An attack involving replacement of legitimate content/services with a malicious substitute.</td>
<td>Spoofing, man in the middle attacks, rogue wireless access points, and structured query language injection attacks all involve impersonation.</td>
</tr>
<tr>
<td>Improper Usage</td>
<td>Any incident resulting from violation of an organization’s acceptable usage policies by an authorized user, excluding the above categories.</td>
<td>User installs file-sharing software, leading to the loss of sensitive data; or a user performs illegal activities on a system.</td>
</tr>
<tr>
<td>Loss or Theft of Equipment</td>
<td>The loss or theft of a computing device or media used by the organization.</td>
<td>A misplaced laptop or mobile device.</td>
</tr>
<tr>
<td>Other</td>
<td>An attack method does not fit into any other vector.</td>
<td></td>
</tr>
</tbody>
</table>

7.3 Location of Observed Activity

The following provides attribution of where the observed activity was detected in the network.

<table>
<thead>
<tr>
<th>Attribute Definitions</th>
</tr>
</thead>
<tbody>
<tr>
<td>LEVEL 1 – BUSINESS DEMILITERIZED ZONE – Activity was observed in the business network’s demilitarized zone (DMZ)</td>
</tr>
<tr>
<td>LEVEL 2 – BUSINESS NETWORK – Activity was observed in the business or corporate network of the victim. These systems would be corporate user workstations, application servers, and other non-core management systems.</td>
</tr>
</tbody>
</table>
Figure 10

LEVEL 3 — BUSINESS NETWORK MANAGEMENT — Activity was observed in business network management systems such as administrative user workstations, active directory servers, or other trust stores.

LEVEL 4 — CRITICAL SYSTEM DMZ — Activity was observed in the DMZ that exists between the business network and a critical system network. These systems may be internally facing services such as SharePoint sites, financial systems, or relay "jump" boxes into more critical systems.

LEVEL 5 — CRITICAL SYSTEM MANAGEMENT — Activity was observed in high-level critical systems management such as human-machine interfaces (HMIs) in industrial control systems.

LEVEL 6 — CRITICAL SYSTEMS — Activity was observed in the critical systems that operate critical processes, such as programmable logic controllers in industrial control system environments.

LEVEL 7 — SAFETY SYSTEMS — Activity was observed in critical safety systems that ensure the safe operation of an environment. One example of a critical safety system is a fire suppression system.

UNKNOWN — Activity was observed, but the network segment could not be identified.

8 INCIDENT HANDLING PHASES

This process aims to eradicate the problem as quickly as possible while gathering actionable intelligence, to restore business functions, improve detection, and prevent reoccurrence.

8.1 DETECTION AND NOTIFICATION

Detection details technologies and methodologies for collecting, reviewing, normalizing, and alerting are required to effectively monitor event and system data for compromise indicators that indicate suspected incidents.

Notification of a suspected incident can come from any persons, software monitoring and alerts, anomalous activity, or other technical indicators of compromise. Upon notification of a suspected incident, an incident Handler must be assigned to begin an investigation into the incident. Notification steps also apply to communication between Incident Handlers, the ITSIRT, and Skagit PUD. Notification messages during incident handling should maintain a current and accurate incident definition.

8.2 INVESTIGATION

Incident Investigation is the responsibility of the Incident Handlers operating alone or in conjunction with the ITSIRT. The investigation uses the correlation between incident reports, events of interest from log sources or other indicators of compromise, and other available tools to determine an accurate incident definition and aid in determining appropriate actions for mitigation, recovery, and reporting.

8.2.1 Incident Definition

The incident definition comprises the incident level as defined in section 7 of this procedure and the scope of the incident. The incident definition may be subject to change during incident handling. The investigation may uncover more components of the incident, extending or reducing the scope, level, or active incident types. It is the Incident Handlers’ job to maintain and communicate appropriate incident definition within all incident handling communication, including notifications and reports.
8.2.2 Scope
The incident’s scope must be determined by the Incident Handlers and is an inventory of the affected accounts, applications, and information systems, operational processes, and potentially affected data definitions.

8.3 Mitigation
Mitigation actions are the responsibility of the Incident Handlers and ITSIRT and are actions taken to

a) Contain the definition of the incident while investigating incident details.
b) Remove active threats from the environment as it pertains to the incident following an adequate investigation.
c) Prevent future recurrence of the incident by controlling, removing, or remediating used attack vectors.

8.4 Recovery and Monitoring
Some incident types may leave information systems or data in non-operable or untrusted states. Recovery tasks are the responsibility of the Incident Handlers and ITSIRT to

a) Restore normal business operations from a failed state.
b) Restore business data or information systems from an untrusted to a trusted state.

Additional monitoring actions may be required to be put temporarily into place following an incident to continue monitoring the environment for ongoing indicators of compromise or confirm an incident has been successfully contained and mitigated.

8.5 Reporting
Incidents and handling actions must be internally tracked and reported to improve incident handling procedures and information security controls. See Appendix A for a sample IT Security Incident Report form.

Additionally, there are situations requiring external reporting to entities such as Law Enforcement in cases where criminal activity is suspected or determined.

Skagit PUD also belongs to several organizations that rely on shared reporting of an IT Security incident. Examples include MS-ISAC and WAWARN. The IT Security Incident Response Team Leader will report the incident to these agencies in a timely fashion.

8.5.1 Incident Tracking
All incidents, along with their definition, investigation actions, mitigation actions, and recovery actions, should be tracked and reported to Skagit PUD for use in risk assessment and information security planning.

8.5.2 Incident Post-Mortem
All incidents, along with their definition, investigation actions, mitigation actions, and recovery actions, should be reviewed at the end of the incident with the intent to create and improve documented incident response procedures. The output from the post-mortem should also consider necessary improvements to policy, training, implemented controls, or other relevant security planning.

Skagit PUD – IT Security Incident Response
## Figure 10

### Appendix A: Incident Reporting Template

#### Skagit PUD Incident Reporting Template

<table>
<thead>
<tr>
<th>Date:</th>
<th>Person filing out form:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tracking No.:</td>
<td></td>
</tr>
</tbody>
</table>

**Incident Priority**

<table>
<thead>
<tr>
<th>☐ HIGH</th>
<th>☐ MEDIUM</th>
<th>☐ LOW</th>
<th>☐ OTHER</th>
</tr>
</thead>
</table>

*Additional notes:* 

**Incident Type**

Check all that apply.

| ☐ Compromised System | ☐ Lost Equipment/Theft |
| ☐ Compromised User Credentials (e.g., lost password?) | ☐ Physical Break-in |
| ☐ Network Attack (e.g., DoS) | ☐ Social Engineering (e.g., Phishing) |
| ☐ Malware (e.g., virus, worm, Trojan) | ☐ Policy Violation (e.g., acceptable use) |
| ☐ Reconnaissance (e.g., scanning, sniffing) | ☐ Unknown/Other (Please describe below) |

*Incident description notes:* 

**Incident Timeline**

*Please provide as much detail as possible.*

<table>
<thead>
<tr>
<th>A. Date and time when the incident was discovered</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>B. Date and time when the incident was reported</td>
<td></td>
</tr>
<tr>
<td>C. Date and time when the incident occurred</td>
<td></td>
</tr>
</tbody>
</table>

*Additional timeline details:* 

---

Skagit PUD – IT Security Incident Response
**Figure 10**

**Incident Scope**

Please provide as much detail as possible.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>A.</td>
<td>Estimated quantity of systems affected</td>
</tr>
<tr>
<td>B.</td>
<td>Estimated quantity of users affected</td>
</tr>
<tr>
<td>C.</td>
<td>Third parties involved or affected (e.g., vendors, contractors, partners)</td>
</tr>
</tbody>
</table>

Additional scoping information:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
</table>

**Systems Affected by the Incident**

Please provide as much detail as possible.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>A.</td>
<td>Attack sources (e.g., IP address, port)</td>
</tr>
<tr>
<td>B.</td>
<td>Attack destinations (e.g., IP address, port)</td>
</tr>
<tr>
<td>C.</td>
<td>IP addresses of the affected systems</td>
</tr>
<tr>
<td>D.</td>
<td>Primary functions of the affected systems (e.g., web server, domain controller)</td>
</tr>
<tr>
<td>E.</td>
<td>Operating systems of the affected systems (e.g., version, service pack, patch level, configuration)</td>
</tr>
<tr>
<td>F.</td>
<td>Security software loaded on the affected systems (e.g., anti-virus, anti-spyware, firewall, versions, date of latest definitions)</td>
</tr>
<tr>
<td>G.</td>
<td>Physical location of the affected systems (e.g., state, city, building, room, desk)</td>
</tr>
</tbody>
</table>

Additional timeline details:
M. Pandemic

Planning & Preventative Actions
- Reinforce good personal hygiene with all staff
- Ensure availability of adequate PPE, infection control, and cleaning supplies
- Set up a specific prevention plan that addresses screening employee symptoms, sick leave considerations, return-to-work protocols, alternate work schedules, and engineering controls
- Cross-train staff to handle multiple critical functions as needed
- Assess remote operational capabilities (SCADA, remote desk/laptop, etc.)
- If possible, source materials and chemicals from more than one source to provide a backup in case logistics become bogged down
- Remind all staff to anticipate a rise in cyber threats during a pandemic

Response Actions
- Determine if the provisions of PUD Policy #1032, Ensuring Continuity of Operations, are appropriate, including a possible declaration of emergency
- Consider closing PUD facilities to the public
- Limit or cease in-person meetings, gatherings, and non-essential work travel
- Increase the depth and frequency of cleaning provided by contract custodial staff
- Implement teleworking for as many staff as possible
- Adopt Washington DOH, Labor and Industries, and/or Centers for Disease Control and Prevention workplace pandemic prevention guidelines as part of the prevention plan
N. Dam Breach

Planning & Preventative Actions
- Perform routine preventative maintenance as required by the Washington Department of Ecology, Dam Safety Office, and U.S. Army Corps of Engineering standards
- Perform routine inspections of all dam facilities every month
- Coordinate and facilitate regular third-party inspections of all dam facilities as required
- Ensure the PUD’s dam emergency action plan is up-to-date and refreshed at least every year
- Conduct an annual drill or tabletop exercise that simulates the breach of one or both dams and exercises the Dam Emergency Action Plan

Response Actions
- Determine if the provisions of PUD Policy #1032, Ensuring Continuity of Operations are appropriate, including a possible declaration of emergency
- Conduct damage assessments and prioritize repairs and other actions
- Follow the actions in the PUD’s Dam Emergency Action Plan, which follows as Figure 10
- Determine if the provisions of PUD Policy #1032, Ensuring Continuity of Operations, are appropriate, including a possible declaration of emergency
- If a dam breach has occurred, be prepared to respond to flooding, landslides, and other localized incidents stemming from inundation
**Standard Operating Procedure**

**Dam Breach Emergency Action Plan**

*Implemented 4/1/2004  
Updated 5/23/2021*

**Dam Project Data**
The following table captures the data required by the Washington Department of Ecology, Dam Safety Office.

<table>
<thead>
<tr>
<th>Project name</th>
<th>Judy Reservoir, Dam A (DSO file SK03-0183) and Dam B (DSO file SK03-0181)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location</td>
<td>Off stream storage near Clear Lake and Sedro-Woolley, WA in Skagit County</td>
</tr>
</tbody>
</table>
| Section               | S320, S33E: Township T35N, Range R5E W.M.  
|                       | S5: Township T34N, Range R5E W.M.                                           |
| Address               | 11932 Morford Rd., Sedro-Woolley, WA 98284                                   |
| Dam owner             | Public Utility District No. 1 of Skagit County  
|                       | 1415 Freeway Dr., Mount Vernon, WA 98273                                     |
|                       | (360) 424-7104                                                               |

**Dam A Information**

<table>
<thead>
<tr>
<th>Type</th>
<th>Earth filled embankment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Height</td>
<td>57 feet</td>
</tr>
<tr>
<td>Crest length</td>
<td>687 feet</td>
</tr>
<tr>
<td>Crest width</td>
<td>25 feet</td>
</tr>
</tbody>
</table>
| Downstream flood path    | Unnamed creek to Clear Lake and Beaver Lake to East Fork  
|                          | Nookachamps Creek (see inundation maps)                                      |
| Downstream hazard class  | High (1B)                                                                    |
| Number of homes in path  | More than 30                                                                 |
| Description of path      | Low density suburban and rural/agricultural area with secondary roads, single-family dwellings, and farms. |

**Dam B Information**

<table>
<thead>
<tr>
<th>Type</th>
<th>Earth filled embankment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Height</td>
<td>80 feet</td>
</tr>
<tr>
<td>Crest length</td>
<td>2500 feet</td>
</tr>
<tr>
<td>Crest width</td>
<td>25 feet</td>
</tr>
<tr>
<td>Downstream flood path</td>
<td>East dam: Janicki Creek to Skagit River; west dam: unnamed drainage to Skagit River (see inundation maps)</td>
</tr>
<tr>
<td>Downstream hazard class</td>
<td>High (1C)</td>
</tr>
<tr>
<td>Number of homes in path</td>
<td>East dam: none; west dam: about 5.</td>
</tr>
</tbody>
</table>
Figure 11

Description of path: Low density suburban/rural area with secondary roads and single-family dwellings.

Notifications

Breach imminent or in progress
If dam failure is imminent or in progress, immediately begin notifications and evacuations by:
1. Calling 911 and asking the operator to use the shape files to determine reverse-911 notifications.
2. Notifying Skagit County Department of Emergency Management at (360) 428-3211 and ask for assistance deploying the Washington Conservation Corps (WCC).
4. Contact the DOE Dam Safety Office at (360) 971-6347 or (360) 407-6653 and follow recommendations.
5. Contact the General Manager and implement ICS structure if directed to do so.

The following tables shows the parcels that are likely to be affected by a dam breach.

<table>
<thead>
<tr>
<th>Dam A</th>
<th>Parcel #</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>30047</td>
<td>25469 Old Day Creek Road</td>
</tr>
<tr>
<td></td>
<td>30066</td>
<td>25393 Old Day Creek Road</td>
</tr>
<tr>
<td></td>
<td>30067</td>
<td>25372 Old Day Creek Road</td>
</tr>
<tr>
<td></td>
<td>30042</td>
<td>25283 Old Day Creek Road</td>
</tr>
<tr>
<td></td>
<td>30044</td>
<td>25215 Old Day Creek Road</td>
</tr>
<tr>
<td></td>
<td>30059</td>
<td>25306 Old Day Creek Road</td>
</tr>
<tr>
<td></td>
<td>10533</td>
<td>25248 Old Day Creek Road</td>
</tr>
<tr>
<td></td>
<td>30053</td>
<td>25252 Old Day Creek Road</td>
</tr>
<tr>
<td></td>
<td>30058</td>
<td>12363 Timber Lane</td>
</tr>
<tr>
<td></td>
<td>30054</td>
<td>12371 Timber Lane</td>
</tr>
<tr>
<td></td>
<td>30061</td>
<td>12413 Timber Lane</td>
</tr>
<tr>
<td></td>
<td>30059</td>
<td>12404 Timber Lane</td>
</tr>
<tr>
<td></td>
<td>30056</td>
<td>12419 Timber Lane</td>
</tr>
<tr>
<td></td>
<td>104616</td>
<td>25000 Old Day Creek Road</td>
</tr>
<tr>
<td></td>
<td>30157</td>
<td>24882 Old Day Creek Road</td>
</tr>
<tr>
<td></td>
<td>30156</td>
<td>24878 Old Day Creek Road</td>
</tr>
<tr>
<td></td>
<td>30156</td>
<td>24816 Old Day Creek Road</td>
</tr>
<tr>
<td></td>
<td>30163</td>
<td>12545 Merrefield Road</td>
</tr>
<tr>
<td></td>
<td>30164</td>
<td>12579 Merrefield Road</td>
</tr>
<tr>
<td></td>
<td>30166</td>
<td>12649 Merrefield Road</td>
</tr>
<tr>
<td></td>
<td>30160</td>
<td>12699 Merrefield Road</td>
</tr>
<tr>
<td></td>
<td>30170</td>
<td></td>
</tr>
</tbody>
</table>
Figure 11

<table>
<thead>
<tr>
<th>Parcel #</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>40562</td>
<td>26248 Panorama Place</td>
</tr>
<tr>
<td>40488</td>
<td>116989 Morford Road</td>
</tr>
<tr>
<td>40483</td>
<td>11405 Foxfire Lane</td>
</tr>
<tr>
<td>40491</td>
<td>11369 Foxfire Lane</td>
</tr>
<tr>
<td>40417</td>
<td>11316 Foxfire Lane</td>
</tr>
<tr>
<td>40405</td>
<td>11665 Morford Road</td>
</tr>
<tr>
<td>40544</td>
<td></td>
</tr>
<tr>
<td>40541</td>
<td>16428 Country Club Dr</td>
</tr>
</tbody>
</table>

**Slowly developing failure or other situation**

If a dam slowly failing or another unusual condition exists, begin notifications and evacuations by:

1. Notifying Skagit County Department of Emergency Management at (360) 429-3211.
3. Contact the DOE Dam Safety Office at (360) 971-6347 or (360) 407-6553 and follow recommendations.
4. Contact the General Manager and implement ICS structure if directed to do so.

**Possible emergency response actions**

- **Inspect**
  Immediately conduct a general overall visual inspection of the dams. Visually check the crest of both dams for settlement, cracking, or other signs of deformation. Check base of dam and manholes for seepage.
Figure 11

**Notify**
If either dam shows signs of failure or imminent failure (typically characterized by cracking and large deformations or settlement at the crest), or is damaged to the extent that there is increased flow passing downstream, immediately follow notification procedures.

**Lower reservoir**
If either dam crest appears to have dropped more than 0.5 feet at any point, or if failure is occurring or appears imminent, immediately begin lowering the reservoir pool level as rapidly as possible. As a general guideline, lower the reservoir level to maintain at least 5 to 10 feet of freeboard at the lowest point on the dam crest. Depending on the magnitude of damage, complete lowering of the reservoir may be required. Lowering the reservoir will require opening all reservoir outlets and shutting off all stream diversions and/or pumping flows into the reservoir. Lowering the reservoir may also require passing water through the water treatment plant and directly to the 10° blow at the Skagit river crossing. If the outlet works are damaged or inoperable, it may be necessary to install siphon pipes and/or pumps to lower the pool level.

**Consult regarding rapid lowering**
Rapid lowering of the reservoir (faster than about 1 foot per day) should not be undertaken without prompt consultation with the WA Dam Safety Office (DSO) or State Department of Emergency Management (WA DEM). If the reservoir is rapidly lowered, the pool should remain drawn down until a dam safety engineer from DSO and/or a consulting engineering firm has inspected the site.

**Detailed inspection**
Following the initial quick visual inspection and implementation of appropriate immediate response actions, conduct a thorough, detailed inspection of the following areas:
1. Both faces of each dam for cracks, settlement, or seepage;
2. Dam abutments for possible displacement;
3. Spillway structure to confirm safe operation;
4. Outlet works, controls, gates, and valves for structural integrity;
5. Toe drain systems for any turbid or muddy water, or increased flow rates;
6. Reservoir perimeter and downstream areas for seepage or landslides;
7. Piezometers – read and compare with previous readings.

**Report**
Following the detailed inspection, prepare a report documenting the results. Note all damage observed, including the detailed nature, location, and extent of each feature. Take videos and/or digital pictures of damage if possible. Evaluate the potential for further damage or progressive failure. Prepare a description of any observed slides, sloughs, new or increased seepage, or sudden subsidence, including the location, extent, rate of subsidence, effects on adjoining structures, springs or seeps, reservoir elevation, prevailing weather conditions, and any other pertinent facts. As soon as possible contact DSO and WA DEM with these findings.

**Inundation maps**
The following pages depict the expected inundation following the failure of the Judy Reservoir dams.
Figure 11
O. Chlorine Gas Release

Planning & Preventative Actions
☐ Perform routine preventative maintenance as required by the Washington Labor and Industries
☐ Perform routine inspections of chlorination process equipment and facilities
☐ Ensure water treatment plant personnel receive annual process safety management training regarding the water chlorination process
☐ Ensure water treatment plant personnel have received or refreshed their hazardous waste operations 8-hour course for first responders annually
☐ Conduct an annual drill that simulates a chlorine gas release and exercises the PUD’s Chlorine Gas Release Action Plan

Response Actions
☐ Determine if the provisions of PUD Policy #1032, Ensuring Continuity of Operations are appropriate, including a possible declaration of emergency
☐ Follow the actions in the PUD Chlorine Gas Release Response Plan, which follows as Figure 12
Standard Operating Procedure: Chlorine Leak Responses
Updated 2/21/2021

Overview

For the purposes of Skagit PUD Water Treatment Plant operations, chlorine leaks are separated into two main categories, small leaks that occur during a cylinder change-out and larger uncontrollable leaks that occur due to mechanical failure or acts of nature such as an earthquake. While uncontrollable leaks can occur without breaking the system due to mechanical failures or acts of nature, they are rare. We do not have the PPE or training to address uncontrollable leaks. Evacuating the scene will almost always be the best course of action.

Most chlorine leaks occur during cylinder change-outs and most of those are due to a poorly seated lead washer when hooking up a regulator. We do have the ability to control and respond to these types of leaks with minimal risk to health and safety, so long as this procedure is followed, and all safety equipment is functioning properly. After any exposure to chlorine gas, ensure to replace the filter cartridges on any affected respirators and discard the old ones.

Leak Identification and Categorization

Cylinder Change-out leak
These occur during a cylinder change-out and are in the Chlorine Storage Room. If following the cylinder change-out procedures correctly, the amount of chlorine gas being released will be minimized by opening and closing the cylinder valve quickly while checking leaks around the lead washer.

Uncontrollable Leak
These can occur anytime and anywhere throughout the chlorine system including the chlorine dioxide system.

Steps for Cylinder Change-out Leaks
1) If leak is determined using ammonia as an indicator, close cylinder valve
2) If a large amount of white smoke present or chlorine alarm sounds, evacuate room with respirator on
3) If scrubber isn’t running, turn on manually
4) Allow room to ventilate until chlorine leak detector reads at or below 0.5 PPM
5) Re-enter room, make sure cylinder valve is closed
6) Follow Chlorine Change-out Procedures to remove regulator, replace lead washer and retest
Figure 12

Steps for Uncontrollable Leaks

1) If chlorine alarm sounds or a strong chlorine smell becomes present, try to determine location

2) Check SCADA to verify source of alarm.

3) Check camera to verify paint color on north wall near sensor. Yellow: SAFE – No Cl₂ present. Red: DANGER - Cl₂ may be present.

4) If leak is determined to be outside of the Chlorine Storage Room, and no chlorine is present in that room, close all cylinder valves.

5) If leak location is not readily available and cylinder valves cannot be closed safely, don’t use emergency evacuation hood.

6) Determine wind direction from wind gauge/windsock outside and determine safest location based on wind direction if evacuation is necessary (uphill to garage, upwind or stay inside building).

7) Notify all other personnel on-site of possible chlorine release while evacuating the area as soon as possible. Use air horn if necessary (located near door of control room).

8) Bring emergency evacuation hood from wall of control room and walk down hallway to observe concentration of Cl₂ in room on alarm sensor display through window to confirm alarm status (actual alarm or false alarm). If false alarm, clear alarm and determine cause.

9) Listen to be sure that ventilation system and scrubber are functioning.

10) Note weight of all cylinders to determine volume lost after leak is controlled.

11) Take inventory of personnel to ensure everyone is accounted for including non-WTP employees on-site.

12) Notify supervisor and On-Call person of situation.

13) Call Chemtrec at 1-800-424-9300 to initiate emergency response system to handle chlorine containment.

14) Call emergency services (911) if the leak cannot be controlled/contained and give them info on situation. Have them initiate the Reverse 911 system to local residents and initiate use of CodeRed notification shape file.

15) Continue to monitor situation. If it can be done safely when leak has stopped, wear proper PPE when returning into Cl₂ storage room (Tyvek suit, respirator, gloves, etc.) when alarm has stopped and the space is safe to re-enter (0.5 PPM) to evaluate the situation and further steps.
SECTION 11: DRILLS & EXERCISES

Skagit PUD requires regular practice of its internal responses and response structure. When possible, the PUD shall participate in drills and exercises with planning partners at the state and local levels. The PUD will conduct annual drills for a structural fire and an earthquake scenario at its main campus and water treatment plant facilities. The PUD safety coordinator shall coordinate and execute these drills, with the assistance of managers and the Safety Committee members, where practical.

The PUD shall conduct one tabletop and one live exercise for dam breach and chlorine gas release every year. The Water Treatment Plant superintendent shall coordinate and execute these drills with the assistance of the safety coordinator and other managers.

Drills and exercises shall be documented and kept on file with the PUD Safety Office for at least three years.

SECTION 12: SUMMARY OF RISK AND RESILIENCE ANALYSES

The PUD conducted a complete assessment of its risk of and resiliency to threats from disasters both natural and man-made in 2020. The resulting assessment is for official use only and is kept in a password-protected electronic folder. The following is a summary of the findings and the actions the PUD will attempt to make its infrastructure more resilient and reduce the risk of threats to its infrastructure and processes.

Priority assets
The assessment weighted three sets of consequences on a scale of 1 to 5, for a total possible score of 15. The higher the number, the higher the vulnerability and risk. The three consequence sets measured are:

- Human health and safety consequences
- Utility financial consequences
- Regional economic loss consequences

<table>
<thead>
<tr>
<th>Physical assets</th>
<th>Score</th>
<th>Cyber assets</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water treatment plant</td>
<td>15</td>
<td>Virtual server environment</td>
<td>14</td>
</tr>
<tr>
<td>Judy Reservoir, A-Dam, and B-Dam</td>
<td>15</td>
<td>SCADA PLCs</td>
<td>13</td>
</tr>
<tr>
<td>Clearwells/Raw Water Pump Station</td>
<td>15</td>
<td>SCADA HMI</td>
<td>10</td>
</tr>
<tr>
<td>Judy to Mount Vernon Trans. Line</td>
<td>14</td>
<td>Northstar (billing)</td>
<td>10</td>
</tr>
<tr>
<td>Eaglemont site</td>
<td>14</td>
<td>Cayenta (financial)</td>
<td>10</td>
</tr>
<tr>
<td>Division Street site</td>
<td>14</td>
<td>Active directory</td>
<td>10</td>
</tr>
<tr>
<td>Skagit River Diversion</td>
<td>13</td>
<td>Tokay (cross connection control)</td>
<td>9</td>
</tr>
</tbody>
</table>

Mitigation strategies
The assessment identified several strategies to reduce the risk and impact of natural and man-made threats to PUD systems and infrastructure. The highest priorities identified are:

- Assessing the condition of and making improvements to perimeter fencing at all sites identified as vulnerable in the preceding table. This includes improving the means of limiting access to watershed creek intake sites.
• Assessing the need for and improving facility intrusion detection and surveillance at all sites identified as vulnerable in the preceding table.
• Performing a seismic vulnerability assessment and study of mitigation measures with a focus on critical infrastructure sites.
• Assess hatch and ladder access at critical infrastructure sites and install locks and other barriers to limit access where needed.
• Establish a PUD physical security program and policy.
• Establish a PUD cybersecurity program and policy.
• Establish a cyber-incident contingency, response, and recovery plan.
• Develop and test backups for critical cyber assets.
• Address gaps in communication technology for routine and emergency operations.
• Conduct at least one annual drill addressing each of the following:
  ✓ Structural fire evacuation
  ✓ Earthquake initial actions
  ✓ Water treatment threats (chlorine release, dam breach)
DATE: July 27, 2021

TO: Kevin Tate, Acting General Manager

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

SUBJECT: Recommendation to Award Chlorine Dry Scrubber

Requested Action:
Authorize the General Manager to enter into a purchase agreement with Purafil Filtration Group in the amount of $149,187.50 including sales tax, to furnish one Emergency Dry Chlorine Gas Scrubber for the Judy Water Treatment Plant.

Background:
In March 1990, the District commissioned and placed into service a new water treatment plant [WTP] adjacent to Judy Reservoir. Water from Judy Reservoir is filtered and disinfected using chlorine to meet current Safe Drinking Water Act requirements.

Chlorine gas is a highly toxic and deadly chemical in gaseous form. This disinfection chemical is delivered and stored at the WTP in 1-ton cylinders and used to make the aqueous chlorine that is used in the disinfection process.

One critical safety system at the WTP is a wet chlorine gas scrubber. If a leak in one of the chlorine tanks or the chlorine feed system occurs, the chlorine gas is exhausted into a wet chlorine scrubber and neutralized with liquid sodium hydroxide.

The existing wet chlorine scrubber is 31 years old, at the end of its useful life, and maybe unreliable to operate as required during a chlorine gas leak. In addition, the wet scrubber technology is outdated and has been replaced with dry chlorine scrubber systems.

A Request for Quotation (RFQ) was solicited through a public advertisement. On May 18, 2021, three quotations were received, which are presented in the table below. Stantec will use the selected dry scrubber unit to design the installation and system interfaces. The dry scrubber will be Owner Provided Equipment to the installation contractor. This purchase will allow a quicker installation by allowing fabrication and shipping of the dry scrubber (approximately four months) during the design phase.
REQUEST FOR QUOTATIONS  
Judy Water Treatment Plant  
Emergency Dry Chlorine Gas Scrubber

<table>
<thead>
<tr>
<th>Rank</th>
<th>Company</th>
<th>Bid Amount (excluding WSST)</th>
<th>Washington State Sales Tax @ 8.5%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Purafil - Filtration Group</td>
<td>$137,500.00</td>
<td>$11,687.50</td>
</tr>
<tr>
<td>2</td>
<td>PureAir Filtration</td>
<td>$140,000.00</td>
<td>$11,900.00</td>
</tr>
<tr>
<td>3</td>
<td>DeNora Water Technologies, LLC</td>
<td>$155,500.00</td>
<td>$13,217.50</td>
</tr>
</tbody>
</table>

**Fiscal Impact:**
This project funding will come from 2021 Budget Item MO13-6, WTP Dry Scrubber Retrofit, with a total allocation of $500,000. The use of these funds is consistent with their intended purpose.

Enclosures:
Purafil Quotation dated May 7, 2021
IN RESPONSE TO INQUIRY, WE ARE PLEASED TO SUBMIT THE FOLLOWING

LOCATION: Skagit Pud

JOB DESCRIPTION: Emergency Gas Scrubber package for 1-ton Chlorine cylinder

DESCRIPTION

Model AOC1 – One Ton Emergency Gas Scrubber of 3003H-14 aluminum construction, for chlorine service. Consisting of:

1) Vessel configuration (horizontal flow) with approx. 8.5 ft H x 8 ft. W cross-section
2) 18” diameter inlet, 24” diameter outlet
3) Media support grids and three (3) media beds (Two 12” stages and one 48” stage).
4) 0 – 20” Dwyer Magnehelic Differential Pressure Gage.
5) Flexible Connector between vessel and blower
6) FRP NY Blower Model # FE-24 sized to exhaust airflow of 5,000 cfm. Blower is complete with maximum 40hp, 3 Phase, 230-460 Volt, Mill & Chem Motor and belt guard.
7) Sample ports
   A) 19,440 lbs. Chlorosorb Ultra Media
   B) Purafil standard NEMA 4X EGS Control Panel
   C) MSA Ultima Chlorine Sensor
   D) Free Media Life Analysis
   E) One (1) days for factory start-up and training ($2,000)
   F) Maximum 5’ FRP exhaust stack
   G) Freight included ($8,500)

TOTAL PRICE: $137,500

DELIVERY for AOC1: Submittal: 4 - 5 Weeks after Purchase Order Approval
Ship Schedule: 10 - 12 Weeks after Submittal Approval

TERMS: 20% upon submittal approval, 80% Net 30 following delivery
(excludes Washington State sales tax)

NOT INCLUDED IN PROPOSAL:
Installation
Loading of Media
Anchor Bolts & Design Control Panel Mounts

CONTACT:
Kristin Faulkner
Treatment Equipment 425-691-7101

Jeffrey Davis
Lead Solutions Engineer
Purafil - Filtration Group
770-825-2070
DATE: July 27, 2021

TO: Kevin Tate, Acting General Manager

FROM: Brian Henshaw, Finance Manager

SUBJECT: Payment of Expenses for SkagitNet LLC

Requested Action:
Authorize the General Manager to pay second quarter operational expenses related to SkagitNet in an equal contribution with the Port of Skagit.

Background:
The Port and the District are 50/50 partners in SkagitNet and are responsible for sharing in the operational expenses. Attached is the second quarter reconciliation of budget to actual expenses for review.

Fiscal Impact:
The District’s 2021 Adopted Budget included a $75,000 placeholder for operational expenses related to SkagitNet. The District 50% share of the projected deficit is $45,579 and will be paid in quarterly installments of $11,395.

Attachment: SkagitNet Profit & Loss Budget vs. Actual April - June 2021
June 30, 2021

SkagitNet LLC is a joint operating partnership of the Port of Skagit (Port) and Public Utility District No. 1 of Skagit County (PUD). This report is respectfully submitted to the Commissions of the PUD and Port for the Second Quarter of 2021.

The Port and PUD have worked together over the last two years to establish SkagitNet and consolidate our fiber optic activities in this shared enterprise that will leverage our respective assets and capabilities to better serve our community. Financially, our collective goal has been to grow SkagitNet into a self-sustaining enterprise that can support system expansion in response to market demand and community need.

**Q2 Financials 2021**

<table>
<thead>
<tr>
<th><strong>Q1 Financial Summary</strong></th>
<th><strong>Q2 Financial Summary</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Cash Balance</td>
<td>Beginning Cash Balance</td>
</tr>
<tr>
<td>January 1, 2021</td>
<td>March 31, 2021</td>
</tr>
<tr>
<td>$103,307.76</td>
<td>$68,135.94</td>
</tr>
<tr>
<td>Ending Cash Balance</td>
<td>Ending Cash Balance</td>
</tr>
<tr>
<td>March 31, 2021</td>
<td>June 31, 2021</td>
</tr>
<tr>
<td>$68,135.94</td>
<td>$70,898.18</td>
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<tr>
<td>Total Income YTD Q1</td>
<td>Total Income YTD Q2</td>
</tr>
<tr>
<td>$26,703.17</td>
<td>$72,417.12</td>
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<tr>
<td>Total Expense YTD Q1</td>
<td>Total Expense YTD Q2</td>
</tr>
<tr>
<td>$60,928.60</td>
<td>$104,998.78</td>
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<tr>
<td>Net Income YTD Q1</td>
<td>Net Income YTD Q2</td>
</tr>
<tr>
<td>-$34,225.43</td>
<td>-$32,581.66</td>
</tr>
</tbody>
</table>

**New SkagitNet Activity**

During Q2 SkagitNet built a methodology to position our county for future broadband funding opportunities. We’ve built a GIS map with State Broadband Office, M-Lab, Ookla and Microsoft speed test data. We also included FCC Form 477 data and other elements. These granular data sets show there is a need in our community for increased broadband infrastructure investment. Staff is following federal and state grant funding for eligibility. A more detailed approach is included in the attachments.
SkagitNet LLC

Last quarter we reported requests for contracted fiber optic design and planning services by other public entities including Petrichor LLC and Island County. These services are underway. FTTP mapping and other SkagitNet planning services have been used in 15 county projects. Staff is working to finalize a contract with Port of Coupeville to provide mapping and grant support services. The current 10-year cash flow projects less contributions than the anticipated contract amount for this work. An updated cash flow document will be included in the next quarterly update.

Construction level designs are completed from Rockport to the Sauk-Suiattle Indian Tribe. Staff is working with an environmental consultant to identify all needed permits.

Two new fiber connections have been made during this quarter. SkagitNet now has a total of 53 user connections and 59 strands of fiber leased.

**Recommended Commission Action**

**No action**

Respectfully submitted,

Andrew Entrikin
SkagitNet Manager

Cc: George Sidhu, P.E., PUD General Manager
    Patsy Martin, Port Executive Director
## Skagit Net LLC
### Profit & Loss Budget vs. Actual
#### January through June 2021

**Cash Basis**

<table>
<thead>
<tr>
<th>Description</th>
<th>Jan - Jun 21</th>
<th>Budget</th>
<th>$ Over Budget</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>33700 - Local Grants, Entitlements, Oth</td>
<td>660.12</td>
<td>11,395.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>33720 - PUD #1 Contribution</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>34300 - Utility Fees - Dark Fiber Lease</td>
<td>60,362.00</td>
<td>58,170.00</td>
<td>2,192.00</td>
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<tr>
<td>34800 - Consulting Services</td>
<td>0.00</td>
<td>10,000.00</td>
<td>-10,000.00</td>
<td>0.0%</td>
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<tr>
<td><strong>Total Income</strong></td>
<td>72,417.12</td>
<td>68,170.00</td>
<td>4,247.12</td>
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<tr>
<td><strong>Expense</strong></td>
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<tr>
<td>51700 - Salaries &amp; Benefits</td>
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<tr>
<td>53300 - Electric/Gas Utilities</td>
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<tr>
<td>55700 - Community Outreach</td>
<td>0.00</td>
<td>20.00</td>
<td>-20.00</td>
<td>0.0%</td>
</tr>
<tr>
<td>55870 - O/S Svc Rev Share-Petrichor Fee</td>
<td>9,056.44</td>
<td>5,817.00</td>
<td>3,239.44</td>
<td>155.7%</td>
</tr>
<tr>
<td>55871 - Outside Svc- Pole Attachmnt Fee</td>
<td>0.00</td>
<td>1,250.00</td>
<td>-1,250.00</td>
<td>0.0%</td>
</tr>
<tr>
<td>55872 - O/S Svc NoaNet NOC Svc-Port Hut</td>
<td>0.00</td>
<td>1,410.00</td>
<td>-1,410.00</td>
<td>0.0%</td>
</tr>
<tr>
<td>55873 - Outside Svc Burl Dark Fiber Fee</td>
<td>0.00</td>
<td>1,050.00</td>
<td>-1,050.00</td>
<td>0.0%</td>
</tr>
<tr>
<td>55874 - Outside Svc- MV Buffer Tube Fee</td>
<td>0.00</td>
<td>4,800.00</td>
<td>-4,800.00</td>
<td>0.0%</td>
</tr>
<tr>
<td>55875 - Outside Svc- MV Maint Fee</td>
<td>3,200.00</td>
<td>6,000.00</td>
<td>-2,800.00</td>
<td>53.3%</td>
</tr>
<tr>
<td>55876 - Operating Supplies</td>
<td>22,692.48</td>
<td>12,500.00</td>
<td>10,192.48</td>
<td>181.5%</td>
</tr>
<tr>
<td>55877 - Outside Services- Other</td>
<td>3,128.59</td>
<td>12,173.00</td>
<td>-9,044.41</td>
<td>25.7%</td>
</tr>
<tr>
<td>55878 - Communications</td>
<td>200.67</td>
<td>243.54</td>
<td>-42.87</td>
<td>82.4%</td>
</tr>
<tr>
<td>55879 - Travel including mileage</td>
<td>1,262.35</td>
<td>1,500.00</td>
<td>-237.65</td>
<td>84.2%</td>
</tr>
<tr>
<td>55880 - Insurance</td>
<td>0.00</td>
<td>5,000.00</td>
<td>-5,000.00</td>
<td>0.0%</td>
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<tr>
<td>55881 - Licenses</td>
<td>8,616.82</td>
<td>4,100.00</td>
<td>4,516.82</td>
<td>210.2%</td>
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<tr>
<td>55882 - Memberships</td>
<td>3,500.00</td>
<td>1,750.00</td>
<td>1,750.00</td>
<td>200.0%</td>
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<tr>
<td>55883 - Legal</td>
<td>825.00</td>
<td>11,000.00</td>
<td>-10,175.00</td>
<td>7.5%</td>
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<tr>
<td><strong>Total Expense</strong></td>
<td>104,998.78</td>
<td>113,748.54</td>
<td>-8,749.76</td>
<td>92.3%</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>-32,581.66</td>
<td>-45,578.54</td>
<td>12,996.88</td>
<td>71.5%</td>
</tr>
</tbody>
</table>
**CASH FLOW PROJECTION**

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
<th>2027</th>
<th>2028</th>
<th>2029</th>
<th>2030</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Starting Cash Balance</strong></td>
<td>$103,308</td>
<td>$86,419</td>
<td>$50,378</td>
<td>$178,592</td>
<td>$469,956</td>
<td>$676,455</td>
<td>$923,297</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>OPERATING REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contract Services</td>
<td>$20,000</td>
<td>$20,600</td>
<td>$21,218</td>
<td>$21,855</td>
<td>$22,510</td>
<td>$23,185</td>
<td>$23,881</td>
<td>$24,597</td>
<td>$25,335</td>
<td>$26,095</td>
</tr>
<tr>
<td>Dark Fiber Leases</td>
<td>$116,340</td>
<td>$161,940</td>
<td>$207,540</td>
<td>$253,140</td>
<td>$298,740</td>
<td>$344,340</td>
<td>$389,940</td>
<td>$435,540</td>
<td>$481,140</td>
<td>$526,740</td>
</tr>
<tr>
<td>Port of Skagit Operating Contribution</td>
<td>$45,579</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Skagit PUD Operating Contribution</td>
<td>$45,579</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>$227,497</td>
<td>$182,540</td>
<td>$228,758</td>
<td>$274,995</td>
<td>$321,250</td>
<td>$367,525</td>
<td>$413,821</td>
<td>$460,137</td>
<td>$506,475</td>
<td>$552,835</td>
</tr>
<tr>
<td><strong>OPERATING EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries &amp; Benefits</td>
<td>$90,000</td>
<td>$92,700</td>
<td>$95,481</td>
<td>$98,345</td>
<td>$101,296</td>
<td>$104,335</td>
<td>$107,465</td>
<td>$110,689</td>
<td>$114,009</td>
<td>$117,430</td>
</tr>
<tr>
<td>*Outside Services</td>
<td>$487</td>
<td>$502</td>
<td>$517</td>
<td>$532</td>
<td>$548</td>
<td>$565</td>
<td>$582</td>
<td>$599</td>
<td>$617</td>
<td>$635</td>
</tr>
<tr>
<td>Communications</td>
<td>$10,000</td>
<td>$10,300</td>
<td>$10,609</td>
<td>$10,927</td>
<td>$11,255</td>
<td>$11,593</td>
<td>$11,941</td>
<td>$12,299</td>
<td>$12,668</td>
<td>$13,048</td>
</tr>
<tr>
<td>Travel including mileage</td>
<td>$7,000</td>
<td>$7,340</td>
<td>$7,681</td>
<td>$8,022</td>
<td>$8,362</td>
<td>$8,702</td>
<td>$9,042</td>
<td>$9,382</td>
<td>$9,722</td>
<td>$10,062</td>
</tr>
<tr>
<td>Insurance</td>
<td>$270</td>
<td>$278</td>
<td>$286</td>
<td>$295</td>
<td>$304</td>
<td>$313</td>
<td>$322</td>
<td>$332</td>
<td>$342</td>
<td>$352</td>
</tr>
<tr>
<td>Licenses</td>
<td>$8,200</td>
<td>$8,446</td>
<td>$8,699</td>
<td>$8,960</td>
<td>$9,229</td>
<td>$9,506</td>
<td>$9,791</td>
<td>$10,085</td>
<td>$10,388</td>
<td>$10,699</td>
</tr>
<tr>
<td>Memberships</td>
<td>$3,500</td>
<td>$3,605</td>
<td>$3,713</td>
<td>$3,825</td>
<td>$3,939</td>
<td>$4,057</td>
<td>$4,179</td>
<td>$4,305</td>
<td>$4,434</td>
<td>$4,567</td>
</tr>
<tr>
<td>Community Outreach</td>
<td>$450</td>
<td>$475</td>
<td>$499</td>
<td>$523</td>
<td>$548</td>
<td>$573</td>
<td>$599</td>
<td>$624</td>
<td>$649</td>
<td>$675</td>
</tr>
<tr>
<td>Legal</td>
<td>$22,000</td>
<td>$22,660</td>
<td>$23,340</td>
<td>$24,040</td>
<td>$24,761</td>
<td>$25,504</td>
<td>$26,269</td>
<td>$27,057</td>
<td>$27,869</td>
<td>$28,705</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING EXPENSES</strong></td>
<td>$227,497</td>
<td>$167,372</td>
<td>$172,393</td>
<td>$177,565</td>
<td>$182,892</td>
<td>$188,379</td>
<td>$194,030</td>
<td>$199,851</td>
<td>$205,846</td>
<td>$212,022</td>
</tr>
<tr>
<td><strong>NET OPERATING CASH FLOWS</strong></td>
<td>$0</td>
<td>$15,168</td>
<td>$56,365</td>
<td>$97,430</td>
<td>$138,358</td>
<td>$179,147</td>
<td>$219,791</td>
<td>$260,287</td>
<td>$300,629</td>
<td>$340,814</td>
</tr>
<tr>
<td><strong>DEBT SERVICE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PWB Debt Service</td>
<td>($24,834)</td>
<td>($24,834)</td>
<td>($24,834)</td>
<td>($24,834)</td>
<td>($24,834)</td>
<td>($24,834)</td>
<td>($24,834)</td>
<td>($24,834)</td>
<td>($24,834)</td>
<td>($24,834)</td>
</tr>
<tr>
<td><strong>ENDING CASH BALANCE</strong></td>
<td>$86,419</td>
<td>$47,800</td>
<td>$50,378</td>
<td>$178,592</td>
<td>$469,956</td>
<td>$676,455</td>
<td>$923,297</td>
<td>$1,210,324</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Assumptions:**

1) Revenue growth assumes 20 additional strands leased per year. Early years require capital contribution, which will be suspended when SkagitNet generates sufficient net revenue.

2) Contracted Services revenue in 2022 and beyond is based on projections of billed hours for planning and pole design assistance performed for public entity partners. Revenue assumptions are conservative. Work will be undertaken as capacity allows.

3) Operating expenses include 75% of Broadband Manager’s salary and benefits. Port pays for and receives benefit of remaining 25%. To be adjusted as circumstances change.

4) Expense growth is @ 3% per year except where otherwise determined by contract.


6) Debt Service for Public Works funding assumes only $450,000 of total loan funding used based on current project estimates.
Date July 27, 2021

TO: Kevin Tate, Acting General Manager

FROM: Brian Henshaw, Finance Manager

SUBJECT: Recommendation for Removal of Capital Assets from Fixed Asset Ledger

Surplus to the District’s needs

Requested Action:
Retire asset numbers 208 & 242 from the fixed asset ledger.

Background:
Per our Fixed and Theft Sensitive Asset Policy #1022, capital assets that are surplus to the District’s needs may be removed from the fixed asset ledger by motion and approval of the Commission. Both of these vehicles are fully depreciated and experiencing increased need of repairs. There is currently a strong demand for all vehicles, and it is a good time to surplus these assets.

<table>
<thead>
<tr>
<th>Fixed Asset Number</th>
<th>Description</th>
<th>Purchase Year</th>
<th>Amount</th>
<th>Reason for Removal</th>
<th>Method of Disposal</th>
</tr>
</thead>
<tbody>
<tr>
<td>EQ-VM-208</td>
<td>FORD TAURUS SEDAN</td>
<td>2004</td>
<td>$13,894</td>
<td>End of Economic Life</td>
<td>Sale/Auction</td>
</tr>
<tr>
<td>EQ-VM-242</td>
<td>CHEVY COLORADO</td>
<td>2012</td>
<td>$21,896</td>
<td>End of Economic Life</td>
<td>Sale/Auction</td>
</tr>
</tbody>
</table>
June 30 Elevation: 455.81 (ft)
July 07 Elevation: 454.17 (ft)
Change in Elevation: (1.64)
Spillway Elevation: 465.10
Stream Inflow YTD: 581.29 MG
Skagit River YTD: 429.97 MG
2021 Judy Reservoir Inflows & Elevation

July 07 Elevation: 454.17 (ft)
July 14 Elevation: 454.11 (ft)
Change in Elevation: (0.06)
Spillway Elevation: 465.10
Stream Inflow YTD: 581.29 MG
Skagit River YTD: 522.69 MG
July 14 Elevation: 454.11 (ft)
July 21 Elevation: 454.47 (ft)
Change in Elevation: 0.36
Spillway Elevation: 465.10
Stream Inflow YTD: 581.29 MG
Skagit River YTD: 627.96 MG
## PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY
### JUNE 2021

<table>
<thead>
<tr>
<th>Current Month</th>
<th>YTD 2020</th>
<th>YTD 2021</th>
<th>Percent Change</th>
<th>Revised Budget</th>
<th>Budget to Actual %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Reserves</td>
<td>$ 18,771,502</td>
<td>$ 24,925,063</td>
<td>33%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential &amp; Multi-family</td>
<td>$ 1,779,533</td>
<td>$ 8,862,055</td>
<td>$ 9,456,865</td>
<td>7%</td>
<td>$ 9,142,780</td>
</tr>
<tr>
<td>Commercial, Gov't &amp; Ag.</td>
<td>528,701</td>
<td>2,804,880</td>
<td>3,041,869</td>
<td>8%</td>
<td>2,760,562</td>
</tr>
<tr>
<td>Water Sales</td>
<td>$ 2,420,596</td>
<td>$ 11,914,465</td>
<td>$ 12,787,255</td>
<td>7%</td>
<td>$ 12,068,575</td>
</tr>
<tr>
<td>Other Water Sales</td>
<td>(a) $ 29,554</td>
<td>$ 188,203</td>
<td>$ 156,772</td>
<td>-17%</td>
<td>$ 192,558</td>
</tr>
<tr>
<td>Non-operating Revenue</td>
<td>(b) 19,059</td>
<td>155,341</td>
<td>40,179</td>
<td>-74%</td>
<td>109,168</td>
</tr>
<tr>
<td>Work &amp; Service Orders</td>
<td>(c) 100,920</td>
<td>183,159</td>
<td>366,764</td>
<td>100%</td>
<td>200,002</td>
</tr>
<tr>
<td>System Development Fees</td>
<td>(c) 312,930</td>
<td>600,220</td>
<td>892,620</td>
<td>19%</td>
<td>413,144</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>$ 2,883,059</td>
<td>$ 13,041,387</td>
<td>$ 14,443,591</td>
<td>11%</td>
<td>$ 13,200,303</td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary/Wages/Benefits</td>
<td>$ 724,536</td>
<td>$ 4,939,049</td>
<td>$ 4,728,414</td>
<td>-4%</td>
<td>$ 5,141,495</td>
</tr>
<tr>
<td>WTP - Water, Power, Chemicals</td>
<td>104,811</td>
<td>469,898</td>
<td>520,250</td>
<td>11%</td>
<td>699,363</td>
</tr>
<tr>
<td>Repairs &amp; Maintenance &amp; Fleet</td>
<td>116,797</td>
<td>609,118</td>
<td>619,294</td>
<td>2%</td>
<td>796,570</td>
</tr>
<tr>
<td>Technology/SCADA/Support</td>
<td>(d) 94,819</td>
<td>349,300</td>
<td>414,058</td>
<td>19%</td>
<td>413,144</td>
</tr>
<tr>
<td>Professional Services</td>
<td>(e) 20,117</td>
<td>199,101</td>
<td>84,103</td>
<td>-58%</td>
<td>280,458</td>
</tr>
<tr>
<td>Goods &amp; Services</td>
<td>117,776</td>
<td>649,509</td>
<td>737,774</td>
<td>14%</td>
<td>886,804</td>
</tr>
<tr>
<td>Utility &amp; Other Taxes</td>
<td>124,478</td>
<td>604,578</td>
<td>678,657</td>
<td>12%</td>
<td>638,846</td>
</tr>
<tr>
<td>Construction in Progress</td>
<td>(f) (83,644)</td>
<td>(235,822)</td>
<td>(329,155)</td>
<td>40%</td>
<td>(715,004)</td>
</tr>
<tr>
<td>Total Operating Expenses</td>
<td>$ 1,559,075</td>
<td>$ 7,584,730</td>
<td>$ 7,453,394</td>
<td>-2%</td>
<td>$ 8,148,676</td>
</tr>
<tr>
<td><strong>Capital &amp; Debt Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Labor</td>
<td>$ 90,372</td>
<td>$ 395,154</td>
<td>$ 462,135</td>
<td>17%</td>
<td>$ 622,970</td>
</tr>
<tr>
<td>Other Expenses (Equip, Inv., G&amp;S)</td>
<td>506,341</td>
<td>2,163,248</td>
<td>2,893,336</td>
<td>34%</td>
<td>12,389,530</td>
</tr>
<tr>
<td>Capital Expenses</td>
<td>$ 596,713</td>
<td>$ 2,558,402</td>
<td>$ 3,355,471</td>
<td>31%</td>
<td>$ 13,012,500</td>
</tr>
<tr>
<td>Debt (Principal &amp; Interest)</td>
<td>291,667</td>
<td>1,569,873</td>
<td>1,750,000</td>
<td>11%</td>
<td>1,750,000</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$ 2,447,455</td>
<td>$ 11,713,005</td>
<td>$ 12,558,865</td>
<td>7%</td>
<td>$ 22,904,176</td>
</tr>
<tr>
<td>Revenue Fund</td>
<td>$ 12,325,280</td>
<td>$ 16,009,331</td>
<td>$ 16,009,331</td>
<td>30%</td>
<td></td>
</tr>
<tr>
<td>System Development Fees</td>
<td>5,813,681</td>
<td>7,351,608</td>
<td>7,351,608</td>
<td>26%</td>
<td></td>
</tr>
<tr>
<td>Bond &amp; Debt Reserve</td>
<td>496,384</td>
<td>1,653,180</td>
<td>233%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ending Estimated Reserves</td>
<td>$ 18,635,345</td>
<td>$ 25,014,119</td>
<td></td>
<td>34%</td>
<td></td>
</tr>
</tbody>
</table>

### Services Added YTD

- (a) Late Fee waivers continue
- (b) Interest earned on investments is lower
- (c) High demand for services
- (d) IT projects & maintenance contracts
- (e) 2020 Refinancing Expenses
- (f) Increase in Capital Projects
ith roots deep and wide across western Washington, Puget Sound Energy (PSE) is committed to the well-being of the people it serves. And, the company knows how to partner with other entities to make local communities better places to live and work. From empowering employees to build homes for Habitat for Humanity to granting funds to nonprofits helping residents through the pandemic, PSE finds ways to live up to its "be a good neighbor" goal.

It's second nature for PSE to partner with its business clients as well. That's the charter of the Business Energy Management group headed up by Corey Corbett. He and his team create incentive programs for organizations in Skagit County to implement energy efficiency measures. Considering PSE's goal of net zero carbon emissions by the year 2030, strong partnerships are critical.

The Business Energy Management group works with clients large and small. Initiatives can be as simple as replacing lighting with LEDs or as complex as a complete industrial building retrofit. With partners ranging from hospitals to grocery stores, "each solution has to be custom," Corbett points out. "We tailor the projects to be unique to the diverse types of customers we have."

A Project for Skagit PUD

The chance to harness formerly wasted energy is an especially appealing notion for the Skagit Public Utilities District (PUD), one of PSE's business customers. Also working hard to "go green," the operator of the county's largest water system had been exploring how to take advantage of the power of gravitational water flow for years, according to Kevin Tate, Skagit PUD community relations manager. "We had looked at implementing some micro hydro projects, but they just didn't pencil out."

But a few years ago, when the PUD planned to upgrade its six-million-gallon reservoir and pump station on East Division Street in Mount Vernon, the opportunity was right. The infrastructure at the site includes a pressure reduction valve needed to regulate the intensity of water flow. This one and others throughout the system ensure customers "don't blow up all the plumbing in their house," says Tate.
The PUD learned about new technology from InPipe Energy that would accomplish two goals:

- Help manage pressure in the pipe leading to the reservoir, and
- Turn the pressure into carbon-free power.

The proposed unit, called an In-PRV, combines microturbines, control valves and piping—components safe to use in water pipelines—with state-of-the-art software. It converts excess water pressure into clean energy. Other benefits of the technology include reduced operational costs at the East Division Street station and improved system longevity.

**Funding the Project**

As a nonprofit whose values include environmental stewardship, the PUD was eager to get the In-PRV installed. The initial price tag of more than $300,000, however, wasn’t one the utility could handle alone.

Fortunately, the project fit PSE’s Business Energy Management partnership model quite well. “Water utilities use a lot of energy,” Corbett notes. PSE strives for close relationships with customers to help them realize operational efficiencies and lower costs, ultimately benefiting thousands of customers across the region as well as the environment.

Piggybacking a few sources of funding including a PSE grant, a contribution from InPipe and Skagit PUD’s own resources made the project happen. “We really appreciate that PSE was willing to step in and help offset the installation costs,” says Tate. It was a move in-line with both organizations’ mission, vision and values.

**Current and Future Value**

The In-PRV unit is up and running—the first of its kind in Washington State. It generates about $11,400 in electricity Skagit PUD can sell back to the grid each year. “That’s enough to power up to 10 average homes in Mount Vernon,” Tate notes. As a nonprofit, the utility can put the money saved back into covering operational costs. The PUD is already looking at other opportunities in the system to make use of energy currently being lost via pressure relief valves.

Harvesting energy through in-pipe technology, such as Skagit PUD’s In-PRV, is a relatively new concept. “I’ve seen one or two others,” remarks Corbett. Technology and installation costs should go down over time, he believes. “There’s some potential to reduce energy use across PSE’s entire 6,000 square mile service area by working with other water utilities.”

It’s PSE’s goal to reduce carbon emissions to net zero within this decade and hit the “carbon free” mark in 2045. Working with clients to harness formerly wasted energy is one good tool for getting there.
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PRNewswire
June 29, 2021 11:00am

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MOUNT VERNON, Wash. (PRWEB) June 29, 2021

InPipe Energy and Skagit Public Utility District announced today the completion of the East Division Street Energy Recovery Project at Skagit PUD's East Division Street booster pump station in Mount Vernon. Skagit PUD's installation is the first pressure recovery project in Washington state that utilizes the In-PRV from InPipe Energy, a new smart water and micro-hydro system that generates electricity by harvesting excess pressure from municipal water pipelines. By recovering the energy embedded in excess water pressure and converting it into electricity, the system will generate up to 94,000 kilowatt-hours (kWh) or more of electricity per year while providing pressure management that helps save water and extend the life of the pipeline. The electricity produced will be used to offset the use of grid power at the pump station, saving Skagit PUD (and its ratepayers) money and replacing the equivalent of 3.5 million pounds of fossil-fuel-based carbon emissions annually. The project was made possible with assistance from Puget Sound Energy (PSE), as part of their "Beyond Net Zero Carbon" initiative, and a Coal Transition Board Grant from TransAlta energy company.

"Converting excess water pressure into clean, renewable energy is a win for the environment and our ratepayers," said George Sidhu, Skagit PUD General Manager. "Environmental stewardship is one of Skagit PUD's core values; and in our actions, we want to preserve our region's natural resources. As a public utility, we're always looking to innovate and create greater efficiencies in the operation of our water system, and the East Division Street micro-hydro project checks all the boxes," Sidhu added.

"The world's water infrastructure is energy and carbon intensive," said Gregg Semler, president and CEO of InPipe Energy. "We see a large, global opportunity for water agencies to meet their mission while also battling the impact of climate change. The sustainability of our nation's water systems is paramount, yet water agencies are being constantly challenged with rising energy costs and aging infrastructure. By providing a more precise way to manage pressure in pipelines while also producing electricity our In-PRV product helps water agencies offset their energy costs while saving water, reducing carbon and extending the life of their infrastructure."

In January 2021, Puget Sound Energy set its aspirational "Beyond Net Zero Carbon" energy company goal. Through this initiative, PSE targets reduction of its own carbon emissions to net zero and goes beyond by helping other sectors to enable carbon reduction across the state of Washington.

"We value the opportunity to provide this energy efficiency program grant to Skagit PUD to help them be more efficient and build resilience," said PSE President and CEO Mary Kipp.

"This partnership reflects our commitment to combat climate change by reducing our own carbon emissions to net zero and helping other sectors to enable carbon reduction across the state of Washington."

TransAlta, which is in the process of phasing out its last coal-fired power plant in Centralia, Wash., by 2025, has committed to supporting local communities and renewable energy development through its Coal Transition Board Grant process.

"We are committed to the development of innovative new forms of renewable energy, and this energy recovery project at Skagit PUD sets a great example for the role water utilities can play in making both water and energy more sustainable," said John Kousinioris, CEO of TransAlta. "We are excited about the potential for the In-PRV to produce carbon-free electricity from water pipelines across North America."

"Water is a critical resource in Skagit County as it relates to power generation, and this project demonstrates our regional leadership," Sidhu said.

The In-PRV Pressure Recovery Valve:

Skagit PUD's pump station is the second installation of the In-PRV in a municipal water pipeline. The first, in the city of Hillsboro, Oregon, came online in September 2020 and is on
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track to produce 200,000 kWh or more of electricity each year.

Here's how the system works:

- Water agencies typically deliver water to customers by gravity feed and use control valves, called pressure-reducing valves (PRVs), to manage pressure in their water pipelines. PRVs help protect pipelines from leaks and deliver water to customers at safe pressure.
- Normal PRVs use friction to burn off excess pressure, which is dissipated as heat. All of that energy is, essentially, wasted.
- InPipe Energy’s In-PRV pressure recovery valve system performs like a highly precise control valve. But it takes the process one step further by converting the excess pressure into a new source of carbon-free electricity.
- The In-PRV is the first system that combines software, micro-hydro and control technology as a turnkey product that can be installed quickly, easily and cost-effectively throughout water systems with smaller-diameter pipelines and wherever pressure must be reduced.

Learn more about the In-PRV at: InPipeEnergy.com.

About Skagit PUD:

Skagit Public Utility District is a not-for-profit, community-owned utility with a locally elected board of commissioners. Skagit PUD operates the largest water system in Skagit County, providing 9 million gallons of piped water every day to 75,000 people living in Burlington, Mount Vernon, and Sedro-Woolley, and surrounding Skagit County communities. Providing customers with high-quality water services at an affordable price is our focus.

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Read the full story at https://www.prweb.com/releases/new_energy_recovery_system_produce
New Energy Recovery System Produces Renewable Energy from Municipal Water Pipeline at Skagit Public

All News Releases

June 29, 2021

Skagit PUD is one of the first water agencies to install a new technology, the In-PRV from InPipe Energy, that converts excess water pressure into carbon-free electricity, reducing operational costs and helping to combat climate change.

Mount Vernon, Wash. - June 29, 2021 - Skagit Public Utility District and InPipe Energy announced today the completion of the East Division Street Energy Recovery Project at Skagit PUD’s East Division Street booster pump station in Mount Vernon. Skagit PUD’s installation is the first pressure recovery project in Washington state that utilizes the In-PRV from InPipe Energy, a new smart water and micro-hydro system that generates electricity by harvesting excess pressure from municipal water pipelines. By recovering the energy embedded in excess water pressure and converting it into electricity, the system will generate up to 94,000 kilowatt-hours (kWh) or more of electricity per year while providing pressure management that helps save water and extend the life of the pipeline. The electricity produced will be used to offset the use of grid power at the pump station, saving Skagit PUD (and its ratepayers) money and replacing the equivalent of 3.5 million pounds of fossil-fuel-based carbon emissions annually. The project was made possible with assistance from Puget Sound Energy (PSE), as part of their “Beyond Net Zero Carbon” initiative, and a Coal Transition Board Grant from TransAlta energy company.

“Converting excess water pressure into clean, renewable energy is a win for the environment and our ratepayers,” said George Sidhu, Skagit PUD General Manager. “Environmental stewardship is one of Skagit PUD’s core values; and in our actions, we want to preserve our region’s natural resources. As a public utility, we’re always looking to innovate and create greater efficiencies in the operation of our water system, and the East Division Street micro-hydro project checks all the boxes,” Sidhu added.

“The world’s water infrastructure is energy and carbon intensive,” said Gregg Semler, president and CEO of InPipe Energy. “We see a large, global opportunity for water agencies to meet their mission while also battling the impact of climate change. The sustainability of our nation’s water systems is paramount, yet water agencies are being constantly challenged with rising energy costs and aging infrastructure. By providing a more precise way to manage pressure in pipelines - while also producing electricity - our In-PRV product helps water agencies offset their energy costs while saving water, reducing carbon and extending the life of their infrastructure.”

In January 2021, Puget Sound Energy set its aspirational “Beyond Net Zero Carbon” energy company goal. Through this initiative, PSE targets reduction of its own carbon emissions to net zero and goes beyond by helping other sectors to enable carbon reduction across the state of Washington.

“We value the opportunity to provide this energy efficiency program grant to Skagit PUD to help them be more efficient and build resilience,” said PSE President and CEO Mary Kipp. “This partnership reflects our commitment to combat climate change by reducing our own carbon emissions to net zero and helping other sectors to enable carbon reduction across the state of Washington.”

TransAlta, which is in the process of phasing out its last coal-fired power plant in Centralia, Wash., by 2025, has committed to supporting local communities and renewable energy development through its Coal Transition Board Grant process.

“We are committed to the development of innovative new forms of renewable energy, and this energy recovery project at Skagit PUD sets a great example for the role water utilities can play in making both water and energy more sustainable,” said John Kousinioris, CEO of TransAlta. “We are excited about the potential for the In-PRV to produce carbon-free electricity from water pipelines across North America.”

“Water is a critical resource in Skagit County as it relates to power generation, and this project demonstrates
our regional leadership,” Sidhu said.

The In-PRV Pressure Recovery Valve
Skagit PUD’s pump station is the second installation of the In-PRV in a municipal water pipeline. The first, in the city of Hillsboro, Oregon, came online in September 2020 and is on track to produce 200,000 kWh or more of electricity each year.

Here’s how the system works:

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InPipe Energy and Skagit Public Utility District have completed the East Division Street Energy Recovery Project at Skagit PUD’s East Division Street booster pump station in Mount Vernon – making the PUD one of the first water agencies to install a new technology that converts excess water pressure into electricity, reducing operational costs and helping to combat climate change.

Skagit PUD’s installation utilizes the In-PRV from InPipe Energy, a new smart water and micro-hydro system that generates electricity by harvesting excess pressure from municipal water pipelines. By recovering the energy embedded in excess water pressure and converting it into electricity, the system will generate up to 94,000 kilowatt-hours (kWh) or more of electricity per year while providing pressure management that helps save water and extend the life of the pipeline. The electricity produced will be used to offset the use of grid power at the pump station, saving Skagit PUD money and replacing the equivalent of 3.5 million pounds of fossil-fuel-based carbon emissions annually.

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InPipe Energy brings new renewable energy project to Washington State

Mala Blomquist

Gregg Semler, president and CEO of InPipe Energy announced that the company has just completed an installation of InPipe’s In-PRV (pressure recovery valve) with Skagit Public Utility District (Skagit PUD) in Mount Vernon, WA. This project was installed at their Division Street booster pump station where they manage water pressure and will now be converting excess pressure into a new source of renewable energy to offset electricity from their pumping load in this facility.

This installation at Skagit Public Utility District is exemplary in many ways. It’s not only the first in Washington State, but it is also an ideal location to demonstrate the system’s effectiveness and seamless installation in a water system. We have several more installations in their planning stages, and we continue to be thrilled and gratified to have these opportunities to bring the In-PRV to water agencies, helping them precisely manage pressure to protect against water loss while reducing costs and making their operations more resilient and sustainable.

“Converting excess water pressure into clean, renewable energy is a win for the environment and our ratepayers. As a public utility, we’re always looking to innovate and create greater efficiencies in the operation of our water system, and the East Division Street micro-hydro project checks all the boxes,” states George Sidhu, P.E., General Manager, Skagit PUD.
Also, InPipe’s installation at the City of Hillsboro, Oregon’s water department has been operating successfully and is on track to provide 220,000 kWh of electricity this year, helping to power the stadium lighting, EV charging stations and concessions at Hillsboro’s Gordon Faber Recreation Complex and Hillsboro Stadium.

Here is a video describing the installation:
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Media Contact

Jennifer Allen Newton, Bluehouse Consulting Group, Inc., +1 (503) 805-7540, jennifer@bluehousecg.com
Under the global threat of climate change, public and private organizations are pivoting quickly to adapt to a changing environment and reduce emissions by implementing new technologies. To that end, the Skagit Public Utility District (PUD) announced the completion of the East Division Street Energy Recovery Project at its booster pump station in Mount Vernon, Wash., that will harnesses the energy produced by municipal water pipelines to generate electricity.

The installation is the first pressure recovery project in Washington state that uses a new smart water and micro-hydro system from InPipe Energy that generates electricity by harvesting excess pressure from municipal water pipelines.
According to Skagit PUD, the system, which is called In-PRV, will generate up to 94,000 kilowatt-hours or more of electricity per year while simultaneously providing pressure management that helps save water and extend the life of the pipeline. The electricity produced will be used to offset the use of grid power at the pump station, saving the utility (and its ratepayers) money while offsetting the equivalent of 3.5 million pounds of fossil-fuel-based carbon emissions annually.

The pump station’s system is the second installation of the In-PRV in a municipal water pipeline. The first, in Hillsboro, Ore., came online in September 2020, and is on track to produce 200,000 kilowatt-hours or more of electricity each year.

Water agencies typically deliver water to customers by gravity feed using pressure-reducing valves (PRVs), which help protect pipelines from leaks and maintain a safe water pressure. The In-PRV pressure recovery valve system converts the excess pressure from the friction created by normal PRVs into a source of carbon-free electricity. The In-PRV is the first system that combines software, micro-hydro and control technology as a turnkey product that can be installed quickly, easily and cost-effectively throughout water systems with smaller-diameter pipelines and wherever pressure must be reduced.

The Washington project was made possible with assistance from Puget Sound Energy as part of the organization’s “Beyond Net Zero Carbon” initiative, and a Coal Transition Board Grant from TransAlta energy company.

“Converting excess water pressure into clean, renewable energy is a win for the environment and our ratepayers,” said George Sidhu, general manager Skagit PUD. “In our actions, we want to preserve our region’s natural resources. As a public utility, we’re always looking to innovate and
Skagit PUD completes energy recovery project in Mount Vernon, Wash.

Gregg Semler, president and CEO of InPipe Energy noted that, because the world’s infrastructure is energy and carbon intensive, there’s “a large, global opportunity for water agencies to meet their mission while also battling the impact of climate change. The sustainability of our nation’s water systems is paramount, yet water agencies are being constantly challenged with rising energy costs and aging infrastructure. By providing a more precise way to manage pressure in pipelines - while also producing electricity - our In-PRV product helps water agencies offset their energy costs while saving water, reducing carbon and extending the life of their infrastructure.”

In January 2021, Puget Sound Energy set its aspirational “Beyond Net Zero Carbon” energy company goal. Through this initiative, the energy organization targets reduction of its own carbon emissions to net zero and goes beyond by helping other sectors to enable carbon reduction across the state of Washington.

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Most Recent
Skagit PUD installs energy recovery system at East Division Street pump station

By Elizabeth Ingram - 6.30.2021

InPipe Energy and Skagit Public Utility District announce the completion of the East Division Street Energy Recovery Project at Skagit PUD’s East Division Street booster pump station in Mount Vernon, Washington.

This is the first pressure recovery project in Washington State that uses the In-PRV from InPipe Energy, a smart water and micro-hydro system that generates electricity by harvesting excess pressure from municipal water pipelines. By recovering the energy embedded in excess water pressure and converting it into electricity, the system will generate up to 94,000 kWh of electricity per year while providing pressure management that helps save water and extend the life of the pipeline. The electricity produced will be used to offset the use of grid power at the pump station, saving Skagit PUD (and its ratepayers) money and replacing the equivalent of 3.5 million pounds of fossil-fuel-based carbon emissions annually. The project was made possible with assistance from Puget Sound Energy (PSE), as part of its “Beyond Net Zero Carbon” initiative, and a Coal Transition Board Grant from energy company TransAlta.

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"The world’s water infrastructure is energy and carbon intensive," said Gregg Semler, president and chief executive officer of InPipe Energy. "We see a large, global opportunity for water agencies to meet their mission while also battling the impact of climate change. The sustainability of our nation’s water systems is paramount, yet water agencies are being constantly challenged with rising energy costs and aging infrastructure. By providing a more precise way to manage pressure in pipelines – while also producing electricity – our In-PRV product helps water agencies offset their energy costs while saving water, reducing carbon and extending the life of their infrastructure.”

We use cookies to ensure that we give you the best experience on our website. If you continue to use this site we will assume that you are happy with it.
In January 2021, PSE set its “Beyond Net Zero Carbon” energy company goal. Through this initiative, PSE targets reduction of its own carbon emissions to net zero and goes beyond by helping other sectors to enable carbon reduction across the state of Washington. “We value the opportunity to provide this energy efficiency program grant to Skagit PUD to help them be more efficient and build resilience,” said PSE President and CEO Mary Kipp. “This partnership reflects our commitment to combat climate change by reducing our own carbon emissions to net zero and helping other sectors to enable carbon reduction across the state of Washington.”

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Elizabeth Ingram

Elizabeth Ingram is content director for the Hydro Review website and HYDROVISION International. She has more than 17 years of experience with the hydroelectric power industry. Follow her on Twitter @ElizabethIngra4.
System produces renewable energy from municipal water pipeline in WA

Skagit Public Utility District in Washington is one of the first water agencies to install a new technology, the In-PRV from InPipe Energy.

Jul 13th, 2021

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“Water is a critical resource in Skagit County as it relates to power generation, and this project demonstrates our regional leadership,” Sidhu said.

The In-PRV Pressure Recovery Valve

Skagit PUD’s pump station is the second installation of the In-PRV in a municipal water pipeline. The first, in the city of Hillsboro, Oregon, came online in September 2020 and is on track to produce 200,000 kWh or more of electricity each year.

Here’s how the system works:

- Water agencies typically deliver water to customers by gravity feed and use control valves, called pressure-reducing valves (PRVs), to manage pressure in their water pipelines. PRVs help protect pipelines from leaks and deliver water to customers at safe pressure.
- Normal PRVs use friction to burn off excess pressure, which is dissipated as heat. All of that energy is, essentially, wasted.
- InPipe Energy’s In-PRV pressure recovery valve system performs like a highly precise control valve. But it takes the process one step further by converting the excess pressure into a new source of carbon-free electricity.
- The In-PRV is the first system that combines software, micro-hydro and control technology as a turnkey product that can be installed quickly, easily and cost-effectively throughout water systems with smaller-diameter pipelines and wherever pressure must be reduced.
To meet state and federal sustainability goals, energy stakeholders in the US continue to seek new and innovative ways to decarbonise energy generation. Harvesting excess pressure from water distribution pipelines to generate clean electricity is one way utilities are now able to produce clean energy without increasing their carbon footprint. To do this, a utility installs pressure recovery valves within a water distribution network together with advanced software, micro-hydro and control technology.

Instead of just monitoring and controlling water distribution pressure, the technology enables a utility to harvest excess pressure from water distribution to turn the turbines of a micro-hydro for electricity generation. Traditionally, pressure recovery valves use friction to burn off excess pressure, which is dissipated as heat. All of that energy is, essentially, wasted.

Washington state-based water company Skagit Public Utility District partnered with electricity company Puget Sound Energy and smart water technology firm InPipe Energy to install a pressure recovery project.

InPipe Energy has provided its In-PRV solution for pressure monitoring, harvesting and energy generation whilst Puget Sound Energy provided assistance through its Beyond Net-Zero Carbon initiative. Canadian-based utility TransAlta Energy provided a grant through its Coal Transition Board Grant programme.

Puget Sound Energy’s initiative aims to help the utility and companies in other sectors to reach net-zero targets whilst TransAlta helps local communities transition away from coal-fired energy generation.
The East Division Street Energy Recovery Project at Skagit PUD’s East Division Street booster pump station in Mount Vernon will help the utility to reduce its carbon intensity by generating up to 94,000 KWh of clean electricity per annum using the In-PVR technology. The electricity produced will be used to offset the use of grid power at the pump station, saving Skagit PUD (and its ratepayers) money and replacing the equivalent of 3.5 million pounds of fossil-fuel-based carbon emissions annually. In addition, the project will help the utility to enhance its water pressure management to conserve water and extend the life of the distribution pipeline.

George Sidhu, Skagit PUD General Manager, said: “Converting excess water pressure into clean, renewable energy is a win for the environment and our ratepayers.

“Environmental stewardship is one of Skagit PUD’s core values; and in our actions, we want to preserve our region’s natural resources. As a public utility, we’re always looking to innovate and create greater efficiencies in the operation of our water system, and the East Division Street micro-hydro project checks all the boxes.”

Gregg Semler, president and CEO of InPipe Energy, adds: “The world’s water infrastructure is energy and carbon-intensive.

“We see a large, global opportunity for water agencies to meet their mission while also battling the impact of climate change. The sustainability of our nation’s water systems is paramount, yet water agencies are being constantly challenged with rising energy costs and aging infrastructure.”

Nicholas Nhede

Nicholas Nhede is an experienced energy sector writer based in Clarion Event’s Cape Town office. He has been writing for Smart Energy International’s print and online media platforms since 2015, on topics including metering, smart grids, renewable energy, the Internet of Things, distributed energy resources and smart cities. Originally from Zimbabwe, Nicholas holds a diploma in Journalism and Communication Studies. Nicholas has a passion for how technology can be used to accelerate the energy transition and combat climate change.