AGENDA
March 8, 2022
4:30 p.m.

The public is invited to attend in person or via Zoom. Face coverings are required for in-person audience members.

Join our meeting https://skagitpud.zoom.us/j/83210220786?pwd=cTNTQW10c3UrQ3kdW5kbGJWdVNsUT09
Meeting ID: 832 1022 0786
Passcode: 160890
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 5:00 p.m. the Monday prior to the meeting by calling (360) 848-4460 or send an email to pud@skagitpud.org

PLEDGE OF ALLEGIANCE

CONSENT AGENDA
1. Approval of Agenda 3/8/2022
2. Approval of Minutes 2/22/2022 Regular Meeting
3. Approval of Minutes 3/2/2022 Special Meeting/Work Session
4. Ratification of Vouchers 3/1/2022
5. Voucher Approval 3/8/2022

SKAGIT NET UPDATE

AUDIENCE COMMENTS

OLD BUSINESS
6. Manager’s Report
7. Operations Department Update
8. Governor Inslee’s Covid-19 Changes and their Impact on District Operations
   –Discussion

NEW BUSINESS

INFORMATION
9. Judy Reservoir Data Report
10. Recent News Article
11. InPipe Webinar: Meeting the Future with Innovation

COMMISSIONER COMMENTS

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

The meeting was called to order at 4:30 p.m. Commissioners in attendance were Joe Lindquist, president; Germaine Kornegay, vice president; and Andrew Miller, secretary.

Also in attendance were: Kevin Tate, Shannon Patiño, Brian Henshaw.

Participating remotely were: Alistair Boudreaux, Mark Handzlik, Kathy White, Sam Shipp, Mike Fox, Mark Semrau, Sharon Mataya, Michael Demers, Bill Trueman, Jay Sedivy.

Commissioner Lindquist led the Pledge of Allegiance.

CONSENT AGENDA
As presented, Commissioner Kornegay moved to approve the Consent Agenda for February 22.

1. Approval of Agenda 2/22/22
2. Approval of Minutes: 2/8/22 Regular Meeting
3. SP&P 3009 – Hearing Conservation Plan
4. SP&P 3010 – Confined Space Safety
5. Ratification of Voucher 2/15/2022 No. 3019 ($790,049.01)
   Accounts Payable Voucher No. 22896- 22949 ($401,011.37)
   Electronic Funds Transfer ($183,868.59)
   Payroll Electronic Funds Transfers and Checks No. 035896- 22949 ($205,169.05)
6. Voucher Approval 2/22/22 No. 3020 ($726,762.70)
   Accounts Payable Voucher No. 22950 - 22998 ($611,928.81)
   Electronic Funds Transfer ($114,833.89)

The motion passed unanimously.

AUDIENCE COMMENTS
None.

OLD BUSINESS
7. Manager’s Report: Acting Manager Tate provided an update on the following:
   - Skagit PUD was awarded a low-interest loan for $13 million from the Drinking Water State Revolving Fund (DWSRF) for the Judy Reservoir to Mount Vernon Transmission Pipeline in addition to the $5 million loan received in the fall of 2021.
   - There will be a letter sent to property owners along the transmission pipeline with project updates and information about the upcoming road closure of Old Day Creek Rd.

8. Engineering Department Update: Engineering Manager Handzlik provided an engineering department update on the following:
   - The financial savings spread across a 20-year timeline due to the low-interest loan awarded by the DWSRF.
   - Administrative work such as completing staff goals, updating SOPS, details, and developer requirements, performing work and resource planning, completing evaluations, and continuing recruitment efforts to fill the open GIS analyst position.
   - Department projects including the Water System Plan Limited Update, Burkland Road, Old Day Creek Road, Raw Water Pump Station, Judy Reservoir to Mount Vernon Transmission Line, new campus building, Panorama tank, and smaller-scale projects including Gilligan Creek Slide Repair, 9th and Highland micro-hydro grant, Gages Slough, Curtis Street, and Driver Road. There was a brief discussion regarding the upcoming road closure of Old Day Creek Road and the measures the district is taking to communicate and inform property owners along the road and the public.
• The challenges with storage capacity in the Big Lake area and the proposed Montborne reservoir project to address storage shortages. Manager Handzlik confirmed an initial work session for Wednesday, March 2 to discuss potential financing and planning for the project with proposed follow-up work sessions on March 8, 15, and/or 22. A brief discussion ensued about the proposed location for the addition of a tank.

NEW BUSINESS
None.

INFORMATION
9. Interwest Construction Inc. (ICI) Soles Source Justification Form
10. Monthly Budget Status – January 2022
11. Judy Reservoir Data Report
12. Recent News Articles

COMMISSIONER COMMENTS
Commissioner Miller mentioned attending the WPUDA Conference on February 16 and provided high remarks for the Water Committee group session. Commissioner Miller also highlighted the 3-day conference in April in Tulalip, Wash. and the WPUDA roundtable discussion that emphasized common challenges PUDs statewide face. As a follow up to the roundtable discussion, Commissioner Kornegay commented about the broadband conversation and how the collaboration with SkagitNet has put Skagit PUD ahead of the trend. With the announcement from Governor Inslee regarding lifting COVID-19 restrictions on March 21, Commissioner Lindquist also proposed discussing a timeline for reopening the lobby. Lastly, Commissioner Kornegay mentioned receiving only one email about disconnections.

ADJOURNMENT
Having no further business to come before the board, Commissioner Lindquist moved for adjournment. The motion passed, and the February 22, 2022, meeting was adjourned at 5:08 p.m.

ATTEST

Joe Lindquist, President

Andrew Miller, Secretary Germaine Kornegay, Vice President
The meeting was held in person and virtually via Zoom.

Commissioners Appearing: Joe Lindquist, Germaine Kornegay, Andrew Miller

Staff Appearing In-Person: Mark Handzlik, Bill Trueman, George Sidhu, Chris Shaff, Mike Demers, Mike Fox, Shannon Patiño, Luis Gonzalez, Nick Semrau.

Staff Appearing Remotely: Alistair Boudreaux, Kevin Tate, Courtney Shilling, Sam Shipp.

Commissioner Lindquist called the work session to order at 3:00 p.m.

General Manager George Sidhu introduced the agenda item, and Mark Handzlik, Engineering Manager, opened the discussion regarding the Montborne Tank.

Montborne Tank Discussion:
Engineering Manager Mark Handzlik provided, by PowerPoint presentation, an overview of the Big Lake water service area and the need for more water storage capacity to meet developing demands in the area. Also discussed were options on how to fund and finance the additional storage needed.

An additional work session was confirmed for Tuesday, March 8, at 2:30 p.m.

ADJOURNMENT
With no further business to come before the Board, the work session was adjourned at 4:37 p.m.

______________________________ ________________________________
Andrew Miller, Secretary   Germaine Kornegay, Vice President

Joe Lindquist, 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 $385,999.63 this 1st day of March, 2022.

The total is comprised of the following:

Accounts Payable voucher No. from 22999 through 23036 in the amount of $170,398.86, Electronic Funds Transfer in the amount of $10,778.70. Payroll Electronic Funds Transfers and checks No. 035980 through 036063 in the amount of $204,822.07.

Attest:

Date: 02/28/2022

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181,177.56
February 23 Elevation: 455.49 (ft)
March 02 Elevation: 455.65 (ft)
Change in Elevation: 0.16
Spillway Elevation: 465.10
Stream Inflow YTD: 153.18 MG
Skagit River YTD: 0.00 MG
Water, agritourism, solar farms, growth probed at annual Ag summit

Anne Basye

Wednesday, February 23, 2022 5:32 AM

Skagit County Commissioner Ron Wesen got the first word and Congressman Rick Larsen the last at the 6th annual Ag Summit hosted by Washington State University Skagit County Extension Feb. 11.

The hybrid event, with lunch for those attending in-person, offered updates on everything from the county-sponsored farmland legacy and voluntary stewardship programs to new state rules for agricultural overtime pay.

Water was a key topic.

Skagit River water use is regulated by the Department of Ecology’s instream flow rule, protecting aquatic species and natural processes. When there is an instream flow shortfall – about 60% of the time in August, September and October – irrigation district pumps are shut down.

Discussing the recently released Skagit basin supply and demand analysis study, WSU soil scientist Dr. Gabe LaHue called the variability of Skagit River flow from year to year “a major take home.” Also, while the number of allocated senior water rights is higher than demand in the overall basin, in the ag lands of the lower Skagit river and delta, water rights and demand are about the same.

Drought transfers from the Skagit Public Utility District can help when flows are too low, said PUD General Manager George Sidhu. During declared droughts in 2015, 2018 and 2021, the PUD temporarily transferred the unused portion of its water rights to irrigation districts. It may develop seasonal water transfers for non-emergency situations.

Saving water makes a difference. At last year’s Ag Summit, David Wallace of the Wallace potato family introduced a phone app that shuts down a pump remotely when a mobile sprinkler breaks down or gets stuck. This year he reported that by using 122 of the devices from his startup, CODA Farm Technologies, local farmers saved 35 million gallons of water and improved crop yields by averting unintended flooding. Not having to drive out to broken hose reels to shut them down also kept 50 tons of CO2 out of the atmosphere.

Nearly 14,000 acres of Skagit farmland have been preserved through the farmland legacy program, which pays farmers for unused development rights. Skagit County is one of the top two counties for acres of farmland protected said Sarah Stoner, agricultural lands coordinator for Skagit County Public Works, and will soon be number one.
However, in a state that has lost 100,000 acres of farmland in the last two decades, new threats are always cropping up. Solar farms are the latest.

Some Skagit farmers have gotten letters from companies interested in leasing land for solar panels, said Addie Candab of the American Farmland Trust.

About 90 percent of new solar panels are expected to be installed in rural areas as the economy shifts to renewable energy. Farmers elsewhere are experimenting with interplanting crops and panels and installing panels on irrigation canals and holding ponds to reduce evaporation and keep water cool. Still, said Candab, “we could lose more ag land to this than development because ag is cheap and an easy place to put solar.”

Regarding agritourism on land that is zoned Agricultural Natural Resources (Ag-NRL), the county is considering three options, said Peter Gill of Skagit County Planning and Development Services: take no action and leave current Ag-NRL zoning in place; tweak current allowances to be clearer and focus on activities that relate to existing farm activities; rezone.

Jake Buganski, head of the new Skagit Tourism Bureau, will “manage” Skagit County as a destination target to promote sustainable tourism and “avoid over-tourism, a real problem in Europe,” he said. “And if you don’t want people coming around your farm, we’ll help with that, too.”

The innovation session looked at how drones could be used for aerial monitoring for disease and pests, targeted sprays, broadcast seeding, or mapping and surveying fields. Lav Khot of WSU’s AG Weather Net explained how the system collects weather data to help growers. Six stations collect weather data in Skagit County.

Interest in sequestering carbon on agricultural lands is growing, said Georgine Yorgey of WSU’s Center for Sustaining Agriculture and Natural Resources, as government recognizes the importance of soil health and private sector companies commit to becoming climate neutral. “Measuring soil carbon levels can get really expensive really fast, the carbon market can be a long-term commitment and prices for sequestration are not high yet,” she said.

Wesen’s first word? “Get involved in advisory committees like the agricultural leaders breakfast held the first Friday of the month at the Farmhouse Inn.”

And Larsen’s last? “Thank you for being an important part of the state economy. The face of farming in Skagit is varied, diverse, big and small. If that land is growing something, then we’re in, we’re for it.”
Join this webinar that offers solutions to meeting climate goals while managing water loss. Details below.

Opening Speaker: Connecting the Dots...
From Pressure Management to Climate Change
Mary Ann Dickinson, Founder, Alliance for Water Efficiency

Water management veteran Mary Ann Dickinson will show how climate change, and reducing energy use and greenhouse gas emissions are linked to the need for non-revenue water loss control. While these look unconnected, they are not. Mary Ann will share new data gathered in California which proves that curbing leakage and managing pressure require new strategies and tools to save energy as well as be a carbon reduction winner.
Who should attend

- Water utility managers, directors, board members. Innovative leadership.
- Managers responsible for meeting sustainability/climate goals.
- Government agencies and water districts.

What you’ll learn

- See the relationship between flow management and climate change.
- Offset your carbon footprint and meet new sustainability goals.
- Recover energy and use it to reduce your energy costs.

Panel: Utility Managers Build Resilience

Two veteran water managers describe their experience implementing a solution that allowed them to manage water pressure, generate energy, and reduce their carbon footprint. Moderated by Gregg Semler.

George Sidhu
General Manager
Skagit PUD, WA

Eric Hielema
Engineering Manager
City of Hillsboro, OR

Gregg Semler
Founder & CEO
InPipe Energy

Register: Webinar for March 23, 10-11 PST
In the Pacific Northwest, two water agencies sought to increase efficiency and build resilience. The solution they chose is an innovative, new smart micro-hydro system that generates electricity by harvesting excess pressure from their municipal water lines. In Mount Vernon, WA, the system helps Skagit PUD address its sustainability goals by eliminating 3.5 million pounds of fossil-fuel-based carbon emissions while generating over 100,000 kilowatt-hours (kWh) and providing pressure management (and saving ratepayers money).

In Hillsboro, Oregon the system allows managers to effectively manage water while offsetting 5 million lbs. of CO2 over its operating life while generating 200,000 kWh of electricity per year that is then fed back into the grid, offsetting the city’s high cost of energy and helping power the lights, concessions, and charging fleets at a local municipal stadium complex.

"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 our core values; and 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."

Register for this Zoom Webinar