

**PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY**  
**COMMISSIONERS' WORK SESSION**

**Agenda**

October 20, 2020

4:00 p.m.

*Pursuant to Governor's Proclamation 20-28.11, in-person attendance at open public meetings is temporarily suspended. Skagit PUD Board of Commissioner meetings will be held virtually through ZOOM Cloud Meetings.*

*Join our meeting:*

<https://us02web.zoom.us/j/85936334919?pwd=ZGFwV2x6bGxlRmFxUWg5c2oxemVsQT09>

*Meeting ID: 859 3633 4919*

*Passcode: 981919*

*or dial in at: (253) 215-8782*

**CALL TO ORDER**

**2021 BUDGET REVIEW**

- CIP & Engineering
- Operations & Meters
- Finance
- Customer Service

**ADJOURNMENT**

*This work session is open to Commissioners, District staff, consultants and the public. It is not the opportunity to give public testimony, but if the Board members request input from individuals in the audience, those people may speak.*

*The principal purpose of the work session is to allow employees of the District and the Board to communicate with each other and/or the consultants, answer Board questions, and get the Board's opinions and input regarding the subject topic(s).*

System Water Plan #	Description	2020 Forecast	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	<b>Department Capital:</b>											
	Computer Software/ IT	\$ 418,758	\$ 660,000	\$ 500,000	\$ 300,000	\$ 550,000	\$ 300,000	\$ 800,000	\$ 700,000	\$ 300,000	\$ 300,000	\$ 300,000
	Customer/ Meter	158,245	105,000	125,000	75,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
	Equipment/Ops	187,869	445,000	150,000	150,000	150,000	150,000	200,000	200,000	200,000	200,000	200,000
	Water Treatment Plant	108,136	150,000	150,000	150,000	200,000	200,000	200,000	200,000	250,000	250,000	250,000
	Engineering	40,000	50,000	50,000	50,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
	<b>Department Capital Total:</b>	<b>\$ 913,008</b>	<b>\$ 1,410,000</b>	<b>\$ 975,000</b>	<b>\$ 725,000</b>	<b>\$ 1,025,000</b>	<b>\$ 775,000</b>	<b>\$ 1,325,000</b>	<b>\$ 1,225,000</b>	<b>\$ 875,000</b>	<b>\$ 875,000</b>	<b>\$ 875,000</b>
	<b>Pipe Replacement:</b>											
MP13-7	Burklund Road Pipeline	200,000	3,200,000									
MP20-3	Sky Ridge Pipe Replacement and Booster Pump Station	1,000,000	1,000,000									
MP20-4	College Way, Urban to LaVenture and Crossing at Leigh, Windsor, N. 19th and 8inch Crossing W. of 30th			400,000	1,600,000							
MP20-5	Skagit Country Club Pipeline Replacement				2,100,000							
MP20-6	NW Burlington Pipeline Replacement					1,700,000						
MP20-2	Bored Crossings						960,000					
MP20-7	MV Belmont / Clarmont Pipeline Replacement						1,100,000					
MP20-8	West Mount Vernon Pipeline Replacement							1,200,000				
MP20-9	Peterson, Pulver - Avon Allen and Sunrise Lane E	17,000				-			1,285,000			
MP20-10	MV Hillcrest District Pipeline Replacement								1,700,000			
MP20-11	Bayview Community Pipe Replacement									1,100,000		
MP20-1	Little Mountain	600,000	2,300,000	2,300,000								
	State Grant Needed to fund Project	(600,000)	(2,300,000)	(2,300,000)								
MP13-8	North Fork Skagit River Crossing					-	-			1,000,000	8,600,000	
MP20-14	Bow Hill to Alger										50,000	
MP20-13	South Conway Extension										50,000	
MP20-12	Conway to Lake McMurray Extension										50,000	
MX20-3	Coordinated Pipeline Replacement & Infill	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
	<b>Pipe Replacement Total:</b>	<b>\$ 1,717,000</b>	<b>\$ 4,700,000</b>	<b>\$ 900,000</b>	<b>\$ 4,200,000</b>	<b>\$ 2,200,000</b>	<b>\$ 2,560,000</b>	<b>\$ 1,700,000</b>	<b>\$ 3,485,000</b>	<b>\$ 2,600,000</b>	<b>\$ 9,250,000</b>	<b>\$ 500,000</b>
	<b>Major Capital:</b>											
	<b>Operations &amp; Maintenance:</b>											
MO20-1	Raw Water Pump Station Upgrade	350,000	3,650,000									
MO20-2	WTP Backwash Pump Replacement / Portable Generator	100,000	200,000	1,500,000								
MO13-6	WTP Dry Scrubber Retrofit		500,000									
MO20-4	WTP SCADA Replacement		190,000	570,000								
MO20-8	WTP Replace Flocculators & Recycle Basin			270,000	270,000							
MO20-7	WTP Filtration Conversion & Optimization				1,000,000	2,000,000						
MO20-6	WTP Disinfection Study - System Replacement		-	-	-	-			600,000			
MO20-15	WTP Electrical Upgrades										50,000	
MO20-12	WTP Building Seismic Improvements											840,000
MO20-14	Lagoons solid Handling Improvements	350,000	400,000									930,000
MO13-8	Badger ORION 5/8 Meter Transmitter Replace				1,500,000	1,500,000	1,500,000					

System Water Plan #	Description	2020 Forecast	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	9Th Street Pump			80,000								
	<b>Operations &amp; Maintenance Total:</b>	<b>\$ 800,000</b>	<b>\$ 4,940,000</b>	<b>\$ 2,420,000</b>	<b>\$ 2,770,000</b>	<b>\$ 3,500,000</b>	<b>\$ 1,500,000</b>	<b>\$ -</b>	<b>\$ 600,000</b>	<b>\$ -</b>	<b>\$ 50,000</b>	<b>\$ 1,770,000</b>
	<b>Transmission Pipelines:</b>											
MT13-4	Transmission Line, Judy - MV Phase 2	600,000	16,200,000	16,200,000								
MT13-9	Judy SW TransmissionPhase 3 river section			-	1,300,000	1,300,000	5,800,000					
MT20-2	Judy SW Transmission Phase 4			-	-	-	500,000	700,000	9,250,000	9,250,000		
MT20-1	Judy SW Transmission Phase 2 top of hill		-	-	-	-		-	-		1,000,000	4,500,000
	<b>Transmission Pipelines Total:</b>	<b>\$ 600,000</b>	<b>\$ 16,200,000</b>	<b>\$ 16,200,000</b>	<b>\$ 1,300,000</b>	<b>\$ 1,300,000</b>	<b>\$ 6,300,000</b>	<b>\$ 700,000</b>	<b>\$ 9,250,000</b>	<b>\$ 9,250,000</b>	<b>\$ 1,000,000</b>	<b>\$ 4,500,000</b>
	<b>Reservoirs:</b>											
MR20-1	Panorama - 2 MG storage tank & replace pump in RWP	140,000	560,000	2,300,000	2,300,000							
MR13-2	Cascade Ridge Reservoir (.1 MG)										255,000	
MR13-3	Big Lake Storage Tank (356 HGL)										510,000	
MR13-4	Pleasant Ridge Area Storage (290 HGL)		-	-							640,000	
MR13-5	N. Sedro Woolley Storage (430/350 HGL)		-	-							320,000	
	<b>Reservoirs Total:</b>	<b>\$ 140,000</b>	<b>\$ 560,000</b>	<b>\$ 2,300,000</b>	<b>\$ 2,300,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,725,000</b>	<b>\$ -</b>
	<b>Facilities</b>											
MO20-3	WTP Dam Pipe Replacement		300,000									
	Potlatch RO Replacement		100,000									
MX20-2	PUD Campus Design & Construction	450,000	3,500,000	10,000,000	6,000,000							
	<b>Facilities Total:</b>	<b>\$ 450,000</b>	<b>\$ 3,900,000</b>	<b>\$ 10,000,000</b>	<b>\$ 6,000,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
	<b>Fiber &amp; Other:</b>											
FO13-5	Annual Fiber Optic Installation Program	200,000	29,000	70,000	150,000	150,000	150,000	200,000	200,000	200,000	200,000	250,000
FO13-6	Kulshan Trail Fiber		76,000									
FO13-4	Kulshan Ave. Fiber		120,000									
	9Th Street Fiber			80,000								
MX13-3	Micro Hydro @ Division St. booster pump station	-	50,000									
MO13-5	Document Management Software Implementation	150,000	150,000									
	<b>Major Capital Total:</b>	<b>\$ 2,340,000</b>	<b>\$ 26,025,000</b>	<b>\$ 31,070,000</b>	<b>\$12,520,000</b>	<b>\$ 4,950,000</b>	<b>\$ 7,950,000</b>	<b>\$ 900,000</b>	<b>\$10,050,000</b>	<b>\$ 9,450,000</b>	<b>\$ 2,975,000</b>	<b>\$ 6,520,000</b>
	<b>Total Capital Projects</b>	<b>\$ 4,970,008</b>	<b>\$ 32,135,000</b>	<b>\$ 32,945,000</b>	<b>\$17,445,000</b>	<b>\$ 8,175,000</b>	<b>\$ 11,285,000</b>	<b>\$ 3,925,000</b>	<b>\$14,760,000</b>	<b>\$12,925,000</b>	<b>\$13,100,000</b>	<b>\$ 7,895,000</b>

	A	B	E	F
3	<b>2021 BUDGET REQUESTS - ATTACHMENT A</b>			
4	<b>Department</b>	<b>Projects</b>	<b>2021</b>	<b>Notes</b>
5	Admin	Professional Services	\$ 103,000	Professional services related to District policies, employment law consultation, contract law clarification, Water Rights, and general counsel.
6	Admin	Education and Professional Development	\$ 14,000	This includes related costs for Admin staff for WPUDA Association memberships, meetings, training in public records & state archives, and AWWA Annual Conference.
7		<b>Administration Total</b>	<b>\$ 117,000</b>	
8	Commission	Education and Professional Development	\$ 10,000	WPUDA Association meetings, WPUDA Water Workshop, WPUDA Annual Conference, AWWA-PNWS Annual Conference and AWWA Annual Conference.
9		<b>Commission Total</b>	<b>\$ 10,000</b>	
10	HR	Education and Professional Development	\$ 4,500	CE requirements for SPHR & SHRM-SCP, training in employment law, benefits administration, labor relations, employee relations. Key events NPELRA Conference, Labor Law & Arbitration Institute Conference, AWC Labor Relations Institute, & WPELRA Conference/meetings.
11	HR	Professional Services	\$ 27,500	Background Checks, investigations, training & development PUD staff, Employment issues, Evaluations.
12		<b>Human Resources Total</b>	<b>\$ 32,000</b>	
13	Safety	Education and Professional Development	\$ 13,240	First Aid, CPR, BBP training, Fork lift certification, flagger & BNSF safety
14		<b>Safety Total</b>	<b>\$ 13,240</b>	
15	Finance	Education and Professional Development	\$ 9,500	WFOA finance officer's training, annual payroll training conference, WPUDA finance officer's semi-annual meetings and records manager's semi-annual meetings, GFOA GAAP update, payroll, accounting, CEUs purchasing & stores.
16	Finance	Professional Services	\$ 96,000	Annual audit costs State Auditor's Office, contracted audit services, attorney foreclosure services on delinquent LUD assessments, Millman actuarial evaluation for OPEB requirements.
17		<b>Finance Total</b>	<b>\$ 105,500</b>	
18	Cust / Billing	NorthStar Upgrade & Utilization Review	\$ 34,000	NorthStar regular version upgrade & consulting, analysis, and utilization Review. Review existing NorthStar processes and setup. Adopt and implement changes based on best practices.
19	Cust / Billing	Lockbox - "Lockbox Services"	\$ 25,000	Continue utilizing secure mail facility to receive utility payments.
20	Cust / Billing	Education and Professional Development	\$ 14,000	Harris Conference NorthStar, web training NorthStar, WPUDA, PUG, WETRC Training CEUs, Cross Connect Exam, WDM1 certification
21		<b>Customer Service / Billing Total</b>	<b>\$ 73,000</b>	

	A	B	E	F
4	Department	Projects	2021	Notes
22	IT	DOH Security Mandates - & Remote Sites	\$ 150,000	Security enhancements at remote sites. Nookachamps, Rockport, Cerdargrove, Marblemount, Skagit View Village. Bradshaw and Rudene boosters.
23	IT	SIEM & Log Management System	\$ 45,000	Implementation of Log Management to capture information for system security information and event management.
24	IT	Out of Region Disaster Recovery	\$ 78,000	Locating our disaster recovery site infrastructure out of the Pacific Northwest.
25	IT	Storage Hardware Upgrades (Program)	\$ 350,000	Upgrade the Network Attached Storage (NAS) and network switches on the main campus, 9th & Highland, and the Water Treatment Plant.
26	IT	Service & Work Order Interface	\$ 40,000	Integration between NorthStar and CityWorks. Eliminates paper Service Orders and provide greater efficiency between customer service & meter crew.
27	IT	Radio communications survey	\$ 40,000	Consultant to perform a Radio site to site survey. Look for efficiencies for transferring data (truck to truck) and remote sites by radio. Leverage our existing frequency license.
28	IT	Phone Cloud Telephone Services	\$ 35,000	Emergency cut over redundancy so that we have a backup phone system.
29	IT	Tempered Networks Deployment	\$ 6,000	Hardware deployment for increasing system security around ICS (Industrial Control Systems)
30	IT	Education and Professional Development	\$ 38,000	Security Strategic Planning, Northstar & Cayenta, Interconnecting Network devices, SANS Security Training, Software user Conferences
31	IT	Professional Services	\$ 100,000	Security & optimization analysis of IT infrastructure to improve performance, reliability, and operations. On call network support.
32		<b>IT Total</b>	<b>\$ 882,000</b>	
33	Outreach	Community Outreach	\$ 21,500	Includes: School Field trips to Judy Reservoir, Curriculum Materials, teaching materials, DVD, Giveaways, Sponsorships, and Subscriptions / Memberships / Meetings, Chamber meetings, and training tools).
34		<b>Community Outreach Total</b>	<b>\$ 21,500</b>	
35	Meters	Badger Meters Transmitters	100,000	Useful life of transmitters (batteries) - needs to be replaced
36	OPS	Inspection of High Useage Pumps	\$ 10,000	Continued repair & maintenance of high use pumps by third party
37	OPS	PRV Parts for Annual Repair Program	\$ 50,000	Continued repair & maintenance of our control valve assets
38	OPS	Mag Meter Heads	\$ 5,000	Replacement of legacy meter heads at two locations to allow SCADA communications
39	OPS	Alger Well Generator	\$ 10,000	It will provide emergency power to the Alger system in a sustained power outage.
40	OPS	Vehicle Replacement Program	\$ 100,000	Continue evaluating & replacing fleet on annual basis. Optimizing fleet purchase & sale to minimize ownership costs. Convert Electrician, Kerry totaled van
41	OPS	CAT 309 Hydraulic Excavator	\$ 148,000	Replace existing John Deere 85 that is beyond its useful life
42	OPS	Two Ton Service Truck	\$ 135,000	Replace oldest service truck (1990) to prevent downtime due to repairs
43	OPS	Cellular SCADA	\$ 40,000	Add cellular data comms to SCADA site will reduce monthly broadband costs long term
44	OPS	Annual reservoir cleaning/Inspections	\$ 40,000	Annual reservoir cleaning and inspection to maintain water quality and asset management of facilities, WTP inspections rolled into this fund in 2021
45	OPS	Repair & Maintenance Main Campus	\$ 40,000	Miscellaneous repairs on plant and facility of main campus due to age of facility
46	OPS	Education and Professional Development	\$ 13,000	Annual CEU's and job specific training for Operators, Water Quality personnel and WTP. AWWA, WPUDA, RO, and other pertaining WQ conferences. SCADA Software training. Wonderware training, Pumps & motor HVAC training
47	OPS	Professional Services	\$ 75,000	Risk & Resiliency Assessment & Emergency Response Plan Professional Services. EPA mandate to complete a risk and resiliency study by Dec 31, 2020. Update emergency response plan in 2021.

	A	B	E	F
4	<b>Department</b>	<b>Projects</b>	<b>2021</b>	<b>Notes</b>
48		<b>OPS / Equipment / Facilities Total</b>	<b>\$ 591,000</b>	
49	WTP	Upgrade SRD PLC	\$ 40,000	PLC system at SRD is at end of useful life
50	WTP	Software for WTP Alarms	\$ 12,000	WIN 911 Operating system. Notification of alarms outside of control room
51	WTP	Chlorine & Carbon Dioxide Alarm Integration	\$ 67,810	Improves safety & reliability capabilities of CO2 alarms for safety thru plant
52	WTP	Education and Professional Development	\$ 13,500	Annual CEU's and job specific training for Operators, Water Quality personnel and WTP. AWWA, WPUA, RO, and other pertaining WQ conferences. SCADA Software training.
53		<b>Water Treatment Plant Total</b>	<b>\$ 133,310</b>	
54	Eng	Cross Connect Incentive Program	\$ 50,000	Ongoing program to incentive backflow devices
55	Eng	Education and Professional Development	\$ 12,000	WPUA Water Workshop, and PNWS-AWWA. Water rights, watershed, cross connections, new software, ESRI, City works, and CEUs.
56	Eng	Professional Services	\$ 26,000	Watershed stream monitoring, dam surveying, legal descriptions, surveying, for easements
57		<b>Engineering Total</b>	<b>\$ 62,000</b>	
59				
60		Capital Total	\$ 1,236,000	
61		Education & Professional Development Total	\$ 141,740	
62		O&M Total	\$ 511,310	
63		Professional Services Total	\$ 352,500	
64		<b>Grand Total</b>	<b>\$ 2,241,550</b>	



## **2021 BUDGET WORK SESSION**

**OCTOBER 20, 2020**

### **ENGINEERING DEPARTMENT**

#### **Capital Budget Requests**

1. MP13-7 Burkland/Cedardale Road Pipeline - This project is located on Burklund Road, John Nelson Road, and Cedardale Road in rural Skagit County, south of Mount Vernon, between Stackpole Road and State Route 534 (SR 534). The project will replace an existing 8-inch AC pipe installed in 1962 to help improve system pressures and capacity to the Conway area and Fir Island. The existing pipe is undersized and creates a bottleneck in delivering adequate capacity to this area. A portion of the existing pipeline between East Johnson Road and SR 534 is in a 25-foot easement across active farmland. Access to this easement is limited during most months due to high groundwater levels and farming activities. There are no services on this segment of the pipeline, so it is an option to construct a new line on an alternative alignment along Cedardale Road. This alternative option would provide better accessibility and utility.
2. MP20-3 Sky Ridge Pipeline and Booster Pump Station - This project replaces existing water pipelines along Olympic Place and Sky Ridge Place within the Sky Ridge development in Skagit County south of Mount Vernon. The original water system within this development was installed in 1956. The 6-inch AC pipes are at risk of failing, potentially causing extensive property damage within this hillside development. The project budget has been revised to reflect anticipated spending over 2020 and 2021
3. MP20-1 Little Mountain Road Pipeline - This project is to address limited water availability in an area affected by minimum instream flows on the Skagit River basin. The District has requested funds from the state capital budget to help residents access a legally available water source. Existing groundwater users may also connect to the pipeline, which would reduce impacts to tributary instream flows. Little Mountain Road Pipeline project is the first opportunity for

the District to address this problem. The project begins in the southeast corner of the City of Mount Vernon and extends approximately 2.9 miles east through unincorporated Skagit County to the Big Lake service area, connecting to another existing part of the District's water system. The project will install a 12-inch water main along Little Mountain Road and Blackburn Road. There are approximately 32 vacant properties adjacent to the proposed waterline, and it is estimated that approximately 68 new homes could be constructed if landowners fully developed their properties.

Water Treatment Plant Lagoon Cleanout and Mechanical System Replacement – The WTP sludge lagoons capture the fine particles that are washed from the filters. Over the years this fine sediment has filled the two lagoons adjacent to the WTP. This project seeks to restore their capacity and improve the mechanical gates that adjust the water level and assist in decanting the materials.

4. MX20-3 Coordinated Pipeline Replacement and Infill - These are unspecified projects that arise as part of projects pursued by other agencies. These water system projects may be mandated (e.g., relocation of an existing pipeline that is interfering with another agency's project) or chosen based on mutual benefit (e.g., replace a water pipeline before a street paving project). A budget of \$500,000 per year is set aside to address these unspecified projects by other agencies and those small infill projects the District may elect to complete with in-house crews.
5. MO20-1 Raw Water Pump Station Replacement - The existing raw water pumping system for the District's WTP is 30 years old and uses an antiquated control system that is inefficient and damages the pumps. Because of space constraints and operational requirements, it was decided to construct a new, stand-alone Raw Water Pump Station [RWPS] adjacent to the existing pump building. This will allow the existing RWPS and WTP to operate mostly unimpeded during the construction of the new pump station.
6. MO20-2 WTP Backwash Pump Replacement / Portable Generator - The existing backwash pumps at the WTP are at the end of their useful life, becoming unreliable due to pump and motor wear and degradation. The backwash system is a critical process within the water treatment plant. Failure of the backwash system would result in an inability to deliver treated water to our customers. The replacement of the backwash pumps will also involve significant work in the electrical room of the WTP pump station. While this work is being conducted it is an efficient time to prepare for a new backup generator for the WTP. The purchase and installation of the generator is scheduled for 2022. Work conducted



in 2021 will replace the failing, 30-year old, backwash pumping system to improve operational control and energy efficiency.

7. MO13-6 Dry Scrubber Retrofit - The Judy WTP utilizes chlorine gas for its disinfection processes delivered in multiple 1-ton cylinders. Regulations require a chlorine gas scrubber system to treat an unintentional gas release. The existing chlorine scrubber is 30 years old, utilizing sodium hydroxide to neutralize chlorine gas in a wet scrubbing process and the equipment is at its end of useful life. Current chlorine scrubbing technology utilizes an activated carbon medium in a dry scrubbing process, which is a safer process. A dry scrubber system can be retrofit onto the existing chlorine gas ventilation system.
8. MO20-4 WTP SCADA Replacement - The SCADA system at the Judy WTP is a compilation of analog legacy and newer, digital components. Component failures occur routinely. The legacy SCADA system needs to be replaced entirely with an integrated control system that can be expanded as the WTP is expanded to meet current and future supply needs.
9. MO20-14 Lagoon Solids Handling Improvements – This is a multi-year phase project to rehabilitate the WTP backwash lagoons. In 2020 the lagoons most of the sediment in the lagoons was removed. In 2021 the remaining sediment will be removed and the control gates will be replaced or repaired. Combined, this work will restore the original function of the solid handling lagoons. In future years as production increases the lagoons capacity will need to expand. When necessary the project will replace the north lagoon with two concrete lagoons that would increase solids handling capacity within the same footprint. Also, a polymer addition process could be added to improve solids dewatering.
10. MT13-4 Transmission Line, Judy Reservoir to Mount Vernon Phase 2 - This project is to replace the District's existing 24-inch transmission pipeline that was installed in 1961. The existing pipeline is near the end of its useful life and has experienced ruptures as recently as May 2020. A new 36-inch welded-steel transmission pipeline will extend from the District's Judy WTP to Mount Vernon, connecting to the Phase 1 transmission pipeline installed in 2009.
11. MR20-1 Panorama - 2 MG Storage Tank & Replace Pump in RWPS - The W1 pumping system that delivers potable water to the District's Judy WTP and the Panorama service area is a closed system that utilized control technology developed in the 1980s. The pumping system is inefficient and is incapable of providing the required 1,500 gpm fire flow at the WTP. The Panorama Storage

Tank will provide approximately 1.6 MG of gravity storage to serve the Panorama 705 pressure zone directly. The W1 pumping system will be modified to supply water to this new storage tank directly with the Clearwells. Fire suppression storage to meet current requirements will be provided, in addition to equalizing and standby storage.

12. MX20-2 PUD Campus Design and Construction - This project is to build a new District campus on the existing site. The main administrative building constructed in 1970 is 27,000 square feet and houses the Administration, Finance, IT, Engineering, Operations, Customer Service and Construction Staff. The current building is nearing the end of its life cycle and needs replacement. The building's roof, heating and ventilation systems in the administration building are currently at or near the end of their useful life. The current building does not meet ADA code and the main floor 2.8' below flood level. The building is at its capacity with 79 employees. The new building will continue to house the Administration, Finance, IT, Engineering, Operations, Customer Service and Construction Staff. The new building will include meeting spaces, offices and commissioners' chambers. The other existing 5 buildings on site used for storage will be updated as needed.
13. Annual Fiber Optic Installation Program – This work provides unspecified fiber optic work associated with the District's fiber optic program and coordinating with SkagitNet.
14. FO13-5 Kulshan Trail Fiber – This project is to extend the existing fiber system and close existing gaps in the fiber network. Project will be completed following Skagit PUD guidelines and procedures. This project will extend from the fiber termini at 9th Street extended and Kulshan Trail to North LaVenture Road.
15. FO13-6 Kulshan Ave. Fiber – This project is to extend the existing fiber system and close existing gaps in the fiber network. Project will be completed following Skagit PUD guidelines and procedures. This project will extend along Kulshan Avenue from N. LaVenture road to N. 30th where a fiber system exists.
16. MX13-3 Micro Hydro @ Division St. Booster Pump Station - The District operates numerous pressure reducing valves throughout the distribution system. These pressure reducing valves can be bypassed by a micro hydro unit that will provide the same function of the pressure reducing valve while generating clean hydroelectric energy. Currently the Division Street Tank Site is the most viable

location for installation of a micro hydro unit. Other sites are still under consideration.

### **Budget Requests Attachment A**

1. (26) Service & Work Order Interface - Full integration of Cityworks with the Northstar product will enable full service order and service request enablement between Cityworks and Northstar. With this enablement comes the ability to implement mobile service orders, as well as the ability to see service order status across multiple systems. It keeps customer service operating within a single program, yet enables the meter department and others to work on service orders originating within Northstar, but managed and closed within Cityworks.
2. (41) CAT 309 Hydraulic Excavator – The District’s 8-year-old John Deere 85D is nearing the end of it’s useful life. The new excavator has the ability to perform all of the tasks of the John Deere, but also accommodates brushing and cutting implements more easily. This flexibility will support the maintenance program.
3. (54) Cross Connect Incentive Program – This program provides incentives to existing customers who own services with cross connections and are not otherwise required to come into compliance with cross connections.
4. (55) Education and Professional Development - These funds provide for the Engineering Department’s training. Training opportunities include workshops and technical seminars in the employee’s particular field.
5. (56) Professional Services - These funds provide for the District’s stream flow monitoring program, Judy Reservoir dam surveys, and miscellaneous easement and property sale and acquisition costs among other unanticipated needs.



## 2021 BUDGET WORK SESSION

OCTOBER 20, 2020

### OPERATIONS & METERS DEPARTMENTS

#### Budget Requests

1. (35) Badger Meter Transmitters- Useful life of the transmitters (batteries) is nearing the end and need to be replaced throughout the system (907 YTD).
2. (36) Consulting costs and potential rebuild of critical high usage pumps in distribution system. Some pumps are the only pump for an area and can't afford and outage. This will provide inspection and potential repair costs.
3. (37) PRV Parts- Physical parts inventory for rebuilding of control valves on our distribution system on annual basis. Critical for proper function and isolation of pressure zones and fire flows.
4. (38) Mag Meter Heads- Two remote meter head replacements on legacy mag meters to allow input into SCADA telemetry for mainline metering accountability.
5. (39) Alger Generator- A generator installed at the Alger well site to provide the system with power to produce water in a sustained (and frequent) power outage.
6. (40) Fleet Replacements– Annual fleet purchases to keep our cost of ownership down and streamline our work processes. Elimination of old assets and replacing of high usage vehicles on a routine basis.
7. (41) Excavator- Scheduled replacement of high hour and high usage excavator in our fleet of equipment. Replacing of our John Deere 85 which is at end of useful life.
8. (42) Service Truck- Scheduled replacement of a 2 ton service truck. Our three service trucks were purchased in the early 90's. Past useful life.

9. (43) Cellular SCADA – Implementation of lower monthly cost of cellular communications at SCADA sites versus broadband. Upfront costs of hardware purchases and installation.
10. (44) Reservoir cleaning - Annual cleaning and inspection of our reservoirs with divers. 5-7 reservoirs per year, 5-year rotation.
11. (45) PUD campus - Funds for upcoming repairs and needs as we keep the aging infrastructure up and running.
12. (49) SRD PLC replacement- Legacy hardware PLC needs replaced, no longer supported by manufacturer and parts are down to an eBay procurement. Critical PLC that operates the SRD.
13. (50) WTP alarming software-Currently the only way alarms are monitored are at the operator's workstation. Safety and risk need to be mitigated by the implementation of alarming software that sends out notifications via cell phones, text and email to operators and superintendent.
14. (51) Chlorine and CO2 alarming- Actual sensors for hazardous environments and integration into alarming system for operator and plant safety.

### **Professional Services Budget Requests**

1. (47) Risk and resiliency - Updating of Emergency Response Plan and others to comply with EPA mandate of R&R study to be completed by Dec 2020.

### **Education and Professional Development**

1. (46) Operations staff training - Annual CEU's and job specific training for Distribution Operators, Electrician, Mechanic, Lab/Water Quality, Flushing and Valving crew. AWWA, WPUDA, Reverse Osmosis, and other pertaining WQ conferences. SCADA/Wonderware training, Pumps & motor HVAC training
2. (52) WTP staff training – Annual CEU's for WTP Operators and conferences pertaining to water quality, plant optimization, AWWA, WAPUDA, and SCADA software HMI. Various classes to maintain CEU's.



## **2021 BUDGET WORK SESSION**

**OCTOBER 20, 2020**

### **FINANCE DEPARTMENT**

#### **Budget Requests**

#### **Training Budget Requests**

1. (15) Finance training – annual WFOA finance officer’s training, annual payroll training conference, WPUDA finance officer’s semi-annual meetings and records manager’s semi-annual meetings, GFOA GAAP update, payroll, accounting, finance and CEUs, purchasing and other training for storekeepers.

#### **Professional Services Budget Requests**

1. (16) Professional Services – includes annual audit costs and single audit costs for the State Auditor’s Office, contracted audit services, attorney foreclosure services on delinquent LUD assessments, and an actuarial evaluation for OPEB requirements.



## **2021 BUDGET WORK SESSION**

**OCTOBER 20, 2020**

### **CUSTOMER SERVICE**

#### **Budget Requests**

1. (18) NorthStar Upgrade & Utilization Review – Paperless service orders and route mapping. Real-time mobile workforce management designed to optimize in-field service orders processes and provide visibility. Review existing NorthStar CIS processes, procedures and inefficiencies and identifying opportunities that will allow Customer Service department to perform at maximum efficiency. The process includes a thorough analysis of staff, processes, and technology. The review will also examine how current practices and requirements can be optimized within the NorthStar environment.
2. (19) Lockbox – 'Lockbox Service' is a way to speed-up and simplify the collection and processing of account receivables by having customer payments and remittance documents mailed directly to a secure location. Payments are received and verified then applied to a customer's account. Payments can also be deposited directly to our bank.

#### **Education and Professional Development Requests**

1. (20) Education and Professional Development – Annual Harris Customer Training Conference - NorthStar, WebEx training NorthStar, WPUA Customer Service workshops; WETRC Training CEUs and exams for meter department.