

PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY
BOARD OF COMMISSIONERS

AGENDA
NOVEMBER 28, 2023
4:30 PM

The public is invited to attend in person or via Zoom.

Join the meeting via Zoom: <https://skagitpud.zoom.us/j/87189171574?pwd=WjlcWU5UbC9lUEFhRXBza3RiclRjdz09>

Meeting ID: 871 8917 1574
Passcode: 490612
Or dial: 1-253-215-8782

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

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

PLEDGE OF ALLEGIANCE

CONSENT AGENDA

1. Approval of Agenda 11/28/23
2. Approval of Minutes 11/14/23
3. Ratification of Vouchers 11/7/23 & 11/21/23
4. Voucher Approval 11/28/23

AUDIENCE COMMENTS

OLD BUSINESS

5. General Manager's Report

NEW BUSINESS

6. [Resolution 2302-23, Approving a Floating Holiday for Employees Who Are Members of the District Safety Committee - Action](#)
7. [Judy WTP Engine Generator Replacement - Design Services Contract - Action](#)
8. [Recommendation to Award - Skagit Country Club Pipeline Replacement Project - Action](#)

INFORMATION

9. Monthly Budget Status - October 2023
10. Judy Reservoir Data Report

COMMISSIONER COMMENTS

EXECUTIVE SESSION

- *Cybersecurity - Per RCW 42.30.110(1)(a)(ii): Approx. 20-30 Minute Duration*

ADJOURNMENT

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

November 14, 2023

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.

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

Also in attendance were: George Sidhu, Shannon Patiño, Nick Semrau, Pete Gilbert, Brian Henshaw, Mark Handzlik, Jay Sedivy, Ben Hansen, Sam Shipp, Sharon Mataya, Sara Young and Mike Fox.

Participating remotely were: Chris Shaff and Courtney Shilling

Commissioner Lindquist led the Pledge of Allegiance.

CONSENT AGENDA

Commissioner Miller moved to approve the Consent Agenda for November 14, 2023, as presented.

1. Approval of Agenda 11/14/23
2. Approval of Minutes 10/24/23 Budget Work Session
3. Approval of Minutes 10/24/23 Regular Meeting
4. Ratification of Voucher 10/31/23 No. 3107 (\$99,300.31)
Accounts Payable Voucher No. 27657 – 27695 (\$99,194.45)
Electronic Funds Transfer (\$105.86)
5. Voucher Approval 11/14/23 No. 3109 (\$1,709,904.47)
Accounts Payable Voucher No. 27778 – 27840 (\$310,756.97)
Electronic Funds Transfer (\$1,399,147.50)
6. Stakkeland Townhouse Apartments Project Acceptance
7. Affinity At Burlington Project Acceptance

The motion passed unanimously.

AUDIENCE COMMENTS

None.

OLD BUSINESS

8. General Manager's Report: General Manager Sidhu provided an update on the following:
 - The WPUA meetings for November are being held in person in Olympia and remotely from November 15 – 17.
 - The employee Training Day will be on Friday, December 22. Commissioners are invited to attend. The Training Day agenda will include the distribution of service awards, a year-end slide show, and professional development training.
 - The PUD Employee Association is hosting the annual employee holiday party on Saturday, December 2.
 - The Fidalgo Water System transfer has been going as expected, and the PUD will work on obtaining the missing easements beginning in the new year.
 - There was a SkagitNet workgroup on Thursday, November 9, with members of the Port of Skagit, including Sara Young, Joe Poire, and Commissioner Hull. Commissioner Janicki from Skagit County was also present. The topic of discussion was focused on upcoming funding from the Broadband Equity Access and Deployment (BEAD) program. Additional workgroup sessions will be scheduled beginning in the new year.
 - Pipeline replacement projects, including the Skagit Country Club Pipeline Replacement Project that had a well attended pre-bid meeting on November 8 and is expected to receive a good number of bids at the bid opening on Wednesday, November 15, and the West Mount Vernon project that is anticipated to go to bid before the end of the year or at

the beginning of 2024. Both projects were on the 2023 budget but have been moved to the 2024 budget.

- The Skagit River Diversion (SRD) power transfer improvements are still in progress. KVA Electric is waiting for the equipment needed to complete the improvements to arrive. Once the improvements are completed, Manager Sidhu will present the resolution to cancel the declaration of emergency to the board.

NEW BUSINESS

9. 2024 SkagitNet Budget and Plan of Operations

Port of Skagit Executive Director Young presented the 2024 SkagitNet budget and plan of operations and highlighted that SkagitNet has a net revenue of over \$66,000 for the 2023 budget year, which is a result of growing revenues, steady expenses, and staff expenses being removed from the budget and added to the capital budget. Director Young also highlighted a change to the plan of operations for managing fiber that involves performing network mapping and splicing assignments in-house.

Director Young explained that SkagitNet does not have a capital budget but provided the board with a capital project tracking sheet for the board's review.

Commissioner Miller commented that the plan of operations and budget are well done.

Commissioner Hamburg moved to approve the SkagitNet LLC 2024 budget and plan of operations.

The motion passed unanimously.

10. 2024 Budget and Resolution 2301-23: Adopting the Final Budget for the Calendar 2024

Finance Manager Henshaw presented the final 2024 budget and Resolution 2301-23 adopting the final budget for the 2024 calendar year. Manager Henshaw also highlighted changes, including an approximate \$600,000 deduction from removing the 9th and Highland storage tank repainting project, a net deduction of approximately \$42,000 to salaries and benefits, and an addition of \$12,000 for needed confined space equipment. The total net changes equal a deduction of about \$255,000.

Commissioner Hamburg commented that she appreciates all the staff time that went into putting the budget together and the resources provided to answer her questions throughout the budget process.

Commissioner Miller and Lindquist also echoed appreciation and positive comments on the process.

Commissioner Miller moved to approve Resolution No. 2301-23 adopting the 2024 budget for the Public Utility District No. 1 of Skagit County.

The motion passed unanimously.

INFORMATION

11. Judy Reservoir Data Report

COMMISSIONER COMMENTS

None.

EXECUTIVE SESSION

At 4:45 p.m. Commissioner Lindquist recessed the regular meeting to consider the sale of property pursuant to RCW 42.30.110(1)(c) for a duration of approximately 20 minutes, reconvening at 5:10 p.m.

The executive session ended at 5:10 p.m.

ADJOURNMENT

Having no further business to come before the board, Commissioner Lindquist moved for adjournment. The motion passed, and the November 14, 2023, meeting was adjourned at 5:10 p.m.

ATTEST

Joe Lindquist, President

Corrin Hamburg, Secretary


Andrew Miller, 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 \$1,536,218.28 this 7th day of November, 2023.


The total is comprised of the following:

Accounts Payable voucher No. from 27696 through 27777 in the amount of \$1,213,567.99, Electronic Funds Transfer in the amount of \$99,707.34. Payroll Electronic Funds Transfers and checks No. 042116 through 042203 in the amount of \$222,942.95.

Attest:



 Manager



 Auditor

 President

 Vice - President

 Secretary

Date: 11/06/2023

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Voucher	Claimant	Amount
27696	ALL PHASE ELECTRIC SUPPLY	82.05
27697	AQUATIC INFORMATICS INC	1,600.00
27698	AVENUE CATERING ENTERPRISES	486.88
27699	ApplicantPro	2,475.21
27700	BADGER METER INC	38,741.12
27701	BAYSIDE SERVICES	8,384.06
27702	BERG VAULT CO OF WA INC	336.35
27703	BRIDGETTE PURDY	94.05
27704	BUNNY AND HAL LLC (IRR-DED)	5,190.22
27705	CASCADE NATURAL GAS	569.94
27706	CDW GOVERNMENT INC	7,544.67
27707	CERTIFIED LABORATORIES	525.40
27708	CINTAS CORPORATION #460	2,244.04
27709	CITY OF MOUNT VERNON	1,827.39
27710	COMMUNITY ACTION OF SKAGIT CTY	1,206.23
27711	CORE & MAIN LP	3,439.12
27712	Choice Grounds Care	2,197.16
27713	WA ST DEPT OF TRANSPORTATION	1,937.17
27714	DONALDSON RENTALS-LL	32.92
27715	DOUGLAS A STREETER	2,800.00
27716	EDGE ANALYTICAL INC	624.00
27717 - EDI	ELECTRONIC FEDERAL TAX PAYMENT	86,927.77
27718 - EDI	EMPOWER RETIREMENT	815.00
27719	ENDURIS WASHINGTON	1,000.00
27720	ERNEST M MARTINEZ	106.28
27721	EUROFINS EATON ANALYTICAL LLC	4,434.00

Voucher	Claimant	Amount
27722	EVERETT OFFICE FURNITURE	1,694.02
27723	FERGUSON ENTERPRISES INC	3,245.72
27724	FIRSTLINE COMMUNICATIONS INC	2,102.59
27725	HD FOWLER COMPANY INC	3,118.04
27726	HERC RENTALS INC	602.73
27727	ICONIX WATERWORKS (US) INC	3,436.67
27728	IDEAL RENT-ALL	92.48
27729	JASON LEATHERS	13.84
27730	JCI JONES CHEMICALS INC	750.00
27731	KATELYN HARWOOD	225.00
27732	KEVIN IVEY	176.10
27733	LAKESIDE INDUSTRIES INC	1,354.48
27734	LINDE GAS & EQUIPMENT INC	1,416.69
27735	MARTIN MARIETTA MATERIALS	224.22
27736	MCMASTER-CARR SUPPLY CO	830.74
27737	MOTOR TRUCKS INC	114.78
27738	HARRIS COMPUTER SYSTEMS	42,295.18
27739	NORTHSTAR CHEMICAL INC	5,130.23
27740 - EDI	NORTHWEST ADMINISTRATORS	649.80
27741	NPELRA	849.00
27742	NW BREW SUPPLY	81.13
27743	NW CORROSION ENGINEERING LLC	1,442.18
27744	ODP BUSINESS SOLUTIONS, LLC	132.06
27745	OLIVIA LONGWORTH	126.55
27746	ORKIN LLC	336.79
27747	PACIFIC SECURITY	341.81
27748	PHYLLIS STINN	338.08
27749	PLATT ELECTRIC SUPPLY	365.68
27750	PUGET SOUND ENERGY	117,966.79
27751	PURMS JOINT SELF INS FUND	193,422.86
27752	RAYMOND KELEDEI	47.07
27753	REISNER DISTRIBUTOR INC	12,196.01
27754	RETAIL LOCKBOX INC.	2,458.22
27755	RICOH USA INC	107.34
27756	ROBERT HALF MANAGEMENT	3,280.00
27757	SAN JUAN CABLE	115.90
27758	SANDRA HUGHES	103.91
27759	SCARSELLA BROS INC	669,836.75
27760	SECURITY SOLUTIONS NORTHWEST	3,475.31
27761	SIGN PRO OF SKAGIT VALLEY	4,150.72
27762	SKAGIT COUNTY PUBLIC WORKS	158.33
27763	SKAGIT FARMERS SUPPLY	25.22
27764	SPECIALTY CONTROLS INC	1,877.91
27765	STOWE'S SHOES & CLOTHING	147.65
27766	T-MOBILE	498.40
27767	TRUEbenefits, LLC	5,000.00
27768	ULINE INC	837.50
27769 - EDI	WA STATE SUPPORT REGISTRY	844.89
27770 - EDI	WA STATE TREASURER	6,243.42

Voucher	Claimant	Amount
27771	ASTOUND BUSINESS SOLUTIONS LLC	1,917.91
27772	WESTERN CONFERENCE OF	22,750.78
27773	WHATCOM DISPUTE RESOLUTION CTR	4,500.00
27774	WASTE MANAGEMENT OF SKAGIT	1,724.98
27775	WOODS ACQUISITION CORP DBA	70.24
27776	Wilson Engineering, LLC	8,183.14
27777 - EDI	ZIPLY FIBER	4,226.46
		1,313,275.33

As of November 21, 2023

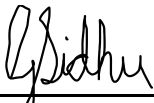
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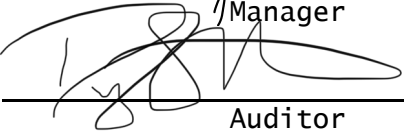
We, the undersigned Board of Commissioners of Public Utility District No. 1 of Skagit County, Washington, do hereby certify that the merchandise and /or services hereinafter specified have been received and are hereby approved for payment in the amount of \$1,063,588.46 this 21st day of November, 2023.

The total is comprised of the following:

Accounts Payable voucher No. from 27841 through 27907 in the amount of \$607,855.66, Electronic Funds Transfer in the amount of \$228,676.70. Payroll Electronic Funds Transfers and checks No. 042291 through M00826 in the amount of \$227,056.10.

Attest:



Manager


Auditor

President

Vice - President

Secretary

Date: 11/21/2023

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Voucher	Claimant	Amount
27841 - EDI	AFLAC	1,114.53
27842	ALL BATTERY SALES AND SERVICE	86.13
27843	APPLIED CONTROL EQUIPMENT LLLP	1,094.22
27844	AUTOMATION ELECTRIC & CONTROLS	10.50
27845	BADGER METER INC	399,731.20
27846 - EDI	BANNER BANK	267.32
27847	BANNER BANK	17,828.91
27848	BRANDSAFWAY SERVICES LLC 88	3,156.42
27849	CAROLLO ENGINEERS INC	20,660.30
27850	CHRISTEL FRIBERG	50.00
27851	CINTAS	448.84
27852	CITY OF ANACORTES	18,620.00
27853	COMCAST BUSINESS	128.57
27854	CORE & MAIN LP	33,416.43
27855	DEKOSTER EXCAVATING	726.20
27856	DOREL J DEWAR JR	259.30
27857	E&E LUMBER INC	20.84
27858	EKREM HARDWARE	27.33
27859 - EDI	ELECTRONIC FEDERAL TAX PAYMENT	81,179.27
27860	ELINOR TAPIO	39.31
27861 - EDI	EMPLOYEES WELFARE & RECREATION	312.00
27862 - EDI	EMPOWER RETIREMENT	815.00
27863	ESTATE OF JOHN W MILLAGE	500.00
27864	EUROFINS EATON ANALYTICAL LLC	1,500.00
27865	EXPRESS EMPLOYMENT PROFESSIONALS	1,013.12
27866	FARMERS EQUIPMENT CO	51.05

Voucher	Claimant	Amount
27867	VALLEY FREIGHTLINER INC	10.77
27868	FRONTLINE CLEANING SERVICES	2,990.00
27869	GEOTEST SERVICES, INC.	954.30
27870	GREGG A SCHNEIDER	600.00
27871	HAYTON ORGANICS, INC	6,435.71
27872	HD FOWLER COMPANY INC	3,017.73
27873	HOME DEPOT	644.33
27874	THE HOSE SHOP INC	11.69
27875	ICONIX WATERWORKS (US) INC	45.57
27876	KAN-MAN LLC / DBA WARRIOR	147.68
27877	ANYTIME LABOR SEATTLE LLC	570.52
27878	LAKE 16 LLC	39.06
27879	LOOMIS ARMORED US LLC	314.58
27880	MARTIN MARIETTA MATERIALS	263.95
27881	MICHELLE MCCOY	168.34
27882	MIKE SCHMIDT	177.34
27883 - EDI	Mutual of Omaha	3,336.45
27884	ODP BUSINESS SOLUTIONS, LLC	123.16
27885	ORKIN LLC	71.67
27886	PACIFIC POWER BATTERIES	86.78
27887	PAPE MACHINERY INC	5.43
27888 - EDI	PAYMENTUS CORPORATION	16,738.64
27889 - EDI	PRINCIPAL LIFE INSURANCE CO.	13,048.16
27890	RALPH SULLIVAN JR	127.03
27891	REISNER DISTRIBUTOR INC	126.07
27892	RH2 ENGINEERING INC	13,425.50
27893	ROBERT HALF MANAGEMENT	3,034.00
27894	SEMRAU ENG & SURVEYING PLLC	16,373.50
27895	SHOSHANA ROSEN	189.39
27896	SKAGIT FARMERS SUPPLY	521.19
27897	SKAGIT VALLEY PUBLISHING	365.84
27898	TEAMSTER UNION LOCAL 231	3,495.54
27899	THE DRIFTMIR ARCHITECTS P S	53,350.51
27900	UNITED WAY OF SKAGIT COUNTY	100.00
27901 - EDI	WA STATE DEPT OF RETIREMENT	104,450.26
27902 - EDI	WA STATE SUPPORT REGISTRY	844.89
27903 - EDI	WA STATE TREASURER	6,456.90
27904	WASHINGTON PUD ASSOCIATION	75.00
27905	ASTOUND BUSINESS SOLUTIONS LLC	341.31
27906	WILBUR-ELLIS HOLDINGS II INC	283.50
27907 - EDI	ZIPLY FIBER	113.28
		836,532.36



1415 Freeway Drive | Mount Vernon, Washington 98273 | (360) 424-7104 | SkagitPUD.org

November 28, 2023

MEMORANDUM

TO: Board of Commissioners

FROM: George Sidhu, PE, General Manager

SUBJECT: Resolution 2302-23, Approving a Floating Holiday for Employees Who Are Members of the District Safety Committee - *Action*

Requested Action:

Approve Resolution 2302-23, Approving a Floating Holiday for Employees Who Are Members of the District Safety Committee.

Background:

The PUD's safety committee has performed many duties and tasks that have helped the PUD achieve many positive milestones in the PUD's safety, risk, and emergency management programs. Membership in the safety committee can be composed of employees either selected by management to serve one-year terms, or by a voluntarily accepted nomination and majority of affirmative votes of the committee. For the last several years, our committee has been composed entirely of volunteer members. Each member averages about 10 hours per year of extra work to support the PUD's safety programs on top of regularly assigned duties.

Since 2018, members of the committee have been responsible for reviewing, making edits, and providing input on nine Safety Practices and Procedures (SP&Ps), two policies, and an emergency response plan. During that same period, the committee reviewed 57 incidents to find root causes and contributing factors that can be mitigated to reduce the likelihood of recurrence. Finally, the committee has worked to improve the PUD's readiness in response to natural and other regional disasters. The efforts of the safety committee have resulted in increased employee and workplace safety, decreases in lost work time and injuries, and costs associated with industrial insurance.

Authorizing a floating holiday is an appropriate reward and incentive for the safety committee membership. Incentivizing participation as a member of the safety committee will recognize the extra effort each member contributes to the success of the PUD's safety programs. Further, it will help ensure stability and continued voluntary participation in the committee.

Fiscal Impact:

No significant fiscal impacts are anticipated.

Enclosures: 1. [Resolution 2302-23 Safety Committee Incentive](#)

RESOLUTION NO. 2302-23

A RESOLUTION OF THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY, WASHINGTON, APPROVING A FLOATING HOLIDAY FOR EMPLOYEES WHO ARE MEMBERS OF THE DISTRICT SAFETY COMMITTEE

WHEREAS, the District is a municipal corporation formed in 1936 as part of Washington Public Utility District law to own and operate water systems in Skagit County, including the cities of Mount Vernon, Burlington, and Sedro Woolley, and

WHEREAS, the District is the largest water purveyor in Skagit County, serving potable water to more than 26,000 customers and 80,000 people using a network of over 650 miles of pipeline, reservoirs, and pump stations, and

WHEREAS, the District maintains a Safety Committee that complies with Washington Administrative Code (WAC) 296-800-13020, that meets regularly to discuss incidents, initiate investigations, evaluate hazards, evaluate current policies and practices, and make suggestions to the General Manager, and

WHEREAS, the District requires the involvement of representatives from each department or work group to provide a balanced committee, and offering an incentive to employees to participate on the committee would ensure representation, and

NOW, THEREFORE, BE IT RESOLVED, that the District approves one eight-hour floating holiday per year for each member of the Safety Committee. The floating holiday will be awarded to each eligible committee member at the beginning of each calendar year, with eligibility based on being appointed to the committee at the first quarterly meeting of the prior year and serving until the end of that year. Similar to other floating holidays at the District, this must be used in the year that it is awarded, it cannot be carried into the following year, and it must be used as a full day and not split into hourly increments.

ADOPTED by the Commission of Public Utility District No. 1 of Skagit County, Washington, at a regular meeting held this 28th day of November 2023.

Joe Lindquist, President

Andrew Miller, Vice President

ATTEST

Corrin Hamburg, Secretary



1415 Freeway Drive | Mount Vernon, Washington 98273 | (360) 424-7104 | SkagitPUD.org

November 28, 2023

MEMORANDUM

TO: George Sidhu, P.E., General Manager
FROM: Mark Handzlik, P.E., Engineering Manager
SUBJECT: Judy WTP Engine Generator Replacement - Design Services Contract - *Action*

Requested Action:

Authorize the general manager to execute a professional services contract with RH2 Engineering, Inc., in the amount of \$150,823 for design services related to the Judy Water Treatment Plant Engine Generator Replacement.

Background:

The Judy Water Treatment Plant (WTP) was commissioned in 1990 and provides the primary potable water supply to the Judy Reservoir Water System. One critical component of the Judy WTP is the backup engine generator, which provides resiliency and reliability during power outages.

The existing generator was installed with the original WTP in 1990 and is now 33 years old with a runtime of 1,138 hours. The lifespan of a backup generator ranges between 1,000-3,000 hours, which translates to about 20-40 years.

Additionally, the existing generator, rated at 580 kW, is undersized for the current and future projected electrical loads. RH2 Engineering was selected to analyze the existing generator performance and the future electrical need for the Judy WTP. In a predesign report dated February 15, 2022, RH2 Engineering proposed a new generator rated at 1,250 to 1,500 kW.

Based on this capacity deficiency and its expected useful life, I recommend replacing the backup engine generator. RH2 Engineering was previously selected to perform the predesign evaluation and analysis through a qualification-based selection process. RH2 Engineering has the most experience with the electrical and mechanical integration in the existing pump building through their recent completion of the Raw Water Pump Station Replacement project and their ongoing design work with the W1 Pump System Replacement project. Therefore, RH2 Engineering was determined to be the most qualified consulting firm for the design phase of this project.

Fiscal Impact:

Funding for the design phase of this project is included in the approved 2024 budget under capital project MO20-2 with a funding program amount of \$600,000 in 2024, and \$2,400,000 in 2025.

Enclosures:

1. [Generator Design Scope](#)
2. [WTP Vicinity Map](#)

EXHIBIT A
Scope of Work
Public Utility District No. 1 of Skagit County
Emergency Standby Generator Design for the Judy Water Treatment Plant
October 16, 2023

Background

The Public Utility District No. 1 of Skagit County (Skagit PUD or PUD) has upgraded critical facilities at the Judy Water Treatment Plant (WTP), with additional facility upgrades planned. The planned facility upgrades include the Backwash Pump Replacement and the Panorama Pressure Zone Improvements (W1 Pump System pumps and surface wash pump) projects. The current on-site generator at the pump station building is undersized to maintain power to the existing facilities and eminent upgrades. Maintaining power to each of these facilities is critical, as the WTP is the primary source of water for the PUD's Judy Reservoir Water System. In June 2021, RH2 Engineering, Inc., (RH2) prepared an alternatives analysis for installing a single standby power generator that can operate the facilities at the site at a peak month demand level.

The PUD is requesting the services of RH2 to design the standby power generator, fuel system, and relevant site and electrical distribution improvements.

Task 1 – Project Management and Administration

Objective: Manage RH2's resources and maintain client communications. Maintain the project's scope, schedule, and budget.

Approach:

- 1.1 Provide Project Coordination – Coordinate with the PUD through Microsoft Teams. *During the evaluation phase, the PUD set up a Microsoft Teams shared environment to facilitate collaboration and centrally locate project files and information. RH2's team will continue to have access to the site.*
- 1.2 Prepare Project Schedule – Prepare a project schedule for PUD review and approval as a baseline. *The PUD and RH2's project managers will collaboratively update the project schedule throughout the project's life cycle.*
- 1.3 Manage Project Team – Assemble, coordinate, and manage the RH2 project team.
- 1.4 Manage Project Budget – Manage resources, workload, task assignments, and the project budget to meet the project objectives within budget and on schedule.
- 1.5 Prepare Monthly Invoices and Progress Reports – Prepare monthly progress reports and invoices that describe the work completed, outline the work to be performed in the next month, and address issues or concerns with project execution. These reports and invoices will be electronically transmitted to the PUD. Discuss the project status at a monthly progress conference call with the RH2 and PUD project managers.

Provided by the PUD:

- Microsoft Teams platform.
- Attendance at monthly conference calls.

RH2 Deliverables:

- Project baseline schedule in electronic format (MS Excel and/or PDF).
- Monthly invoices and progress reports in electronic format (PDF).
- Attendance at monthly conference calls.

Task 2 – 60-Percent, 90-Percent, and Bid-Ready Design

Objective: Prepare 60-percent, 90-percent, and bid-ready design plans, specifications, and Engineer’s opinion of probable construction cost (OPCC) for the proposed site, and structural and electrical work for the standby generator improvements.

Approach:

- 2.1 Prepare Site Improvements Design Plans – Develop existing and proposed site and utility plans and details, including building and utility setbacks, site grading including slope grading and replanting east of the generator location and the two (2) smaller clear wells, generator concrete pad, and vehicle access to the generator concrete pad. *The site design will be based on PUD provided topographic survey, conceptual plan provided by PUD Capital Program Manager Mark Semrau, PE, on September 20, 2023, base map data, and field notes from RH2’s previous site visit.*
- 2.2 Prepare Generator Structural Design Plans – Develop structural plans and details for the generator and fuel tank concrete pads, including the generator support slabs and access platforms. Prepare structural calculations to be submitted to the PUD along with the plan set for submittal to the Building Department.
- 2.3 Evaluate Fuel Tank – Evaluate the feasibility and expense of relocating and reusing the existing fuel tank owned by the PUD. Provide a letter report to the PUD for review and approval summarizing the cost analysis of integrating the fuel tank with another fuel tank prior to commencing design.
- 2.4 Emissions Evaluation and Permitting – Coordinate with Northwest Clean Air Agency (NWCAA) to determine emissions requirements and use restrictions. Work with the PUD and NWCAA to apply for the required permitting for the generator project.

- 2.5 Prepare Electrical Design Plans – Develop electrical plans for the installation of permanent standby generators and an automatic transfer switch at the WTP. The electrical design plans will include the following:
 - One-line diagram showing equipment layout; electrical site plan showing site conduit routing, electrical service modifications, and generator location; a power distribution and signal plan showing conduit routing and equipment locations; generator installation details; electrical schedules; and electrical details.
 - Automatic control system diagrams for interfacing proposed equipment with the existing control system.
- 2.6 Prepare Specifications – Prepare technical specifications using RH2’s modified Construction Specifications Institute format. Review the PUD’s standard front-end construction contract specifications and modify them for this project. Provide specifications at the 90-percent and bid-ready design stages for PUD review.
- 2.7 Prepare Construction Cost Estimates – Prepare an OPCC for PUD review at the 60-percent, 90-percent, and bid-ready review stages. *Cost estimates shall be detailed and match the bid schedule.*
- 2.8 Provide Plans for PUD Design Reviews – Submit plans to the PUD at the 60-percent, 90-percent, and bid-ready design stages for review. Meet with PUD staff at 60- and 90-percent design review stages to discuss and review the plans and specifications. Update plans and specifications at the 60- and 90-percent review levels based on review comments. Prepare bid-ready plans and specifications. Produce two (2) copies of the specifications and four (4) the half-size plan sets.
- 2.9 Coordinate Generator Procurement Through General Services Administration – Prepare plans and specifications for General Services Administration (GSA) to assist the PUD in direct purchase of the generator. Respond to technical questions that may arise during the selection and ordering process.
- 2.10 Provide Quality Assurance/Quality Control Review – Provide quality assurance/quality control (QA/QC) services including a formal internal QA/QC process, and review of the constructability of the project design and final deliverables. Internal QA/QC reviews will occur at the 60-percent, 90-percent, and bid-ready design stages.

Assumptions:

- *Survey and utility locations will be provided by the PUD in AutoCAD format meeting RH2’s design level topographic survey requirements.*
- *RH2 will rely on the previously provided geotechnical report for the Judy Raw Water Pump Station Replacement by GeoEngineers, Inc., regarding site soil engineering properties for structural elements and slope grading and setback requirements.*

- *Generator and fuel tank location will be between and east of the two (2) smaller clearwells. The slope behind the tanks will be cut to slopes identified in the GeoEngineers, Inc., geotechnical report to catch native grade. The predesign report developed as an element of RH2's evaluation proposed a retaining wall alternative that will not be pursued due to higher cost compared to a cut slope.*
- *Refer to the attached **Exhibit B – Fee Estimate** for an estimate of effort for design tasks. Revisions due to changes in design criteria after those elements have been designed may require an amendment and that extra work will be mutually determined by the PUD and RH2.*
- *PUD will initiate contact with GSA services to solicit a generator quote. RH2 will provide technical documents (plans and specification) describing generator equipment, sufficient for quotation purposes. RH2 will respond to technical questions regarding generator equipment. PUD will pay any fees or dues as required to solicit quotation.*
- *Production costs are not part of this Scope of Work. A print shop will be utilized for printed copies to be utilized by the PUD. Production costs will be paid for directly by the PUD.*

Provided by PUD:

- Survey in AutoCAD Civil 3D 2019 format (RH2 has received this file).
- Potholing and/or locating of underground utilities near the generator and conduit locations as necessary.
- Attendance at 60- and 90-percent design review meetings.
- Redline markups of 60- and 90-percent review documents.
- Permitting with Skagit County if any, including grading permit and stormwater permit, coordination and payment of any fees.

RH2 Deliverables:

- Structural calculations for the generator and fuel tank concrete pads and access platforms (if requested) in electronic PDF.
- Fuel system letter report in electronic PDF.
- Preliminary (60-percent), 90-percent, and bid-ready design plans in electronic PDF.
- 90-percent and bid-ready specifications in electronic PDF and Microsoft Word format.
- 60-percent, 90-percent, and bid-ready OPCC in electronic PDF.
- Hard copies of bid-ready plans and specifications, including two (2) specifications and four (4) half-size plan sets.

Task 3 – Services During Bidding

Objective: Assist the PUD during the bidding phase of the project.

Approach:

- 3.1 Assist the PUD in responding to contractor or supplier questions during a three (3)-week bidding period.
- 3.2 Prepare up to two (2) addenda, if requested, to clarify, revise, or change construction plans, technical specifications, or project conditions during the bidding process.
- 3.3 Attend the pre-bid walkthrough. Provide walkthrough agenda and minutes.
- 3.4 Assist the PUD with bid tabulation analysis by reviewing the bid tabulation to respond to differences between the construction cost estimate and bid results and any irregularities in the low bidder's bid schedule.

Assumptions:

- *The PUD will distribute the advertisement, post the project to Builders Exchange of Washington plan center for bidders' consideration, and issue addenda as necessary.*
- *The PUD will conduct the bid opening; RH2 will not be in attendance.*
- *The PUD will handle all bid proposal(s), review tasks, and coordination, reference check of lowest bidder, preparation of the bid tabulation, and bid tabulation analysis, except as noted.*
- *The PUD will handle the bid award and construction contract execution.*

Provided by the PUD:

- Attendance at Pre-bid walkthrough.
- Distribution of advertisement to publications.
- Payment of production fees as billed directly by a print shop for three (3) RH2 copies and necessary PUD copies. *Bid sets can be paid for by bidding contractors.*
- Distribution of advertisement, plans, specifications, and addenda to plan center.
- Responses to bidder questions, sharing responsibility with RH2 staff at an equal percentage.
- Maintaining plan holders list utilizing a plan center.
- Preparation of bid tabulation including a copy in Microsoft Excel format for RH2 along with any noted low bidder bid schedule irregularities.
- Review of bidder information and verification of bidder responsibility.
- Preparation of Recommendation of Award letter and transmittal to the PUD's commissioners.
- Preparation and execution of the construction contract.
- Preparation of the Notice to Proceed letter and transmittal to the contractor.

RH2 Deliverables:

- Bid-ready plans, specifications, and estimate in electronic PDF.
- Responses to bidder questions, sharing responsibility with the PUD at an equal percentage.
- Up to two (2) addenda in PDF or Microsoft Word format.
- Attendance at and pre-bid walkthrough meeting agenda and minutes in electronic PDF.
- Bid tabulation analysis in Microsoft Excel format.

Project Schedule

It is the intent of RH2 to complete the design by Summer 2024. Services in support of permitting and services during construction are not included in this Scope of Work but can be accommodated by amendment. Construction is planned to commence in summer 2025 due to the time involved in generator set procurement.

EXHIBIT B

Fee Estimate

Public Utility District No. 1 of Skagit County

Emergency Standby Generator Design for the Judy Water Treatment Plant

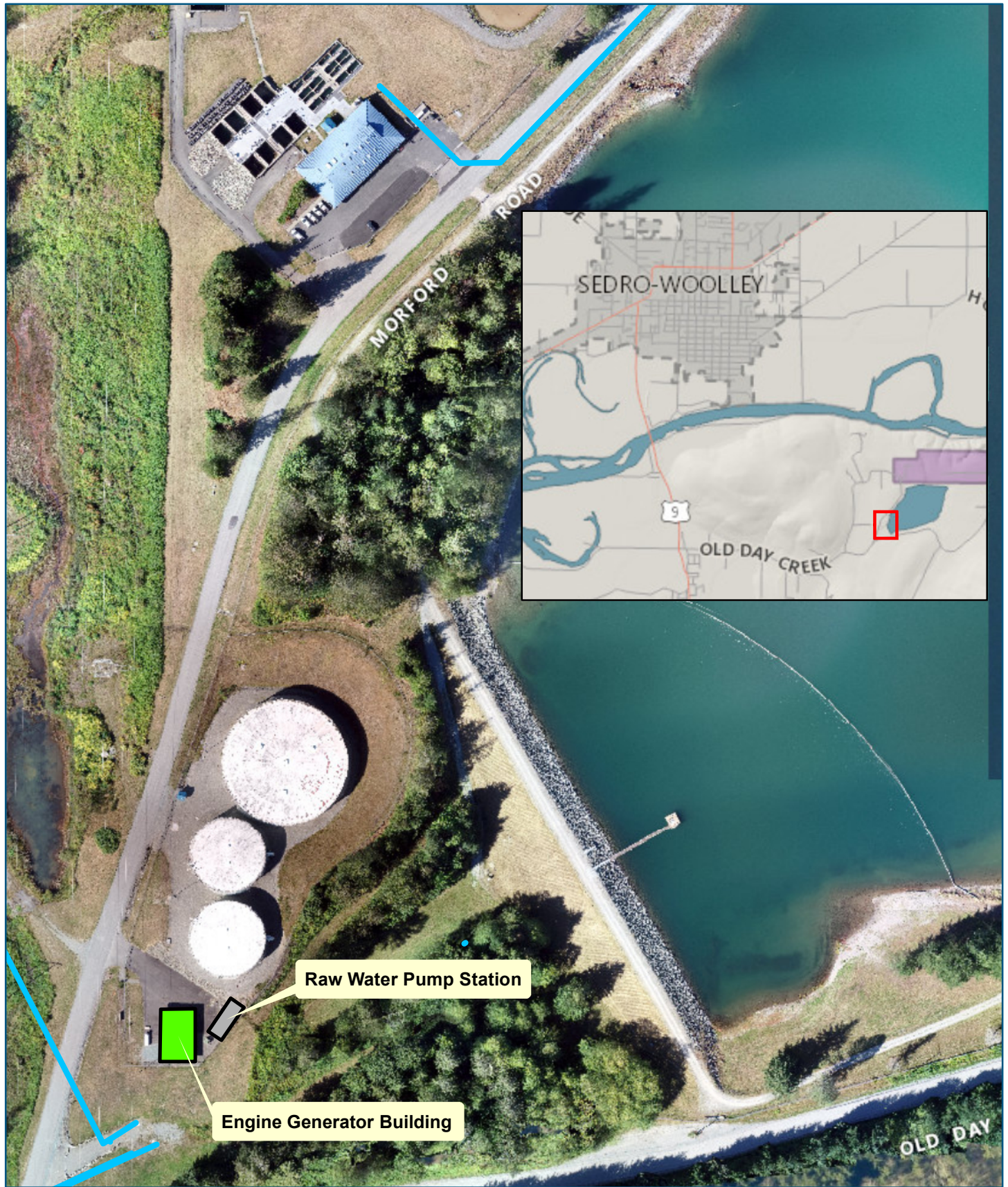
Oct-23

Description		Total Hours	Total Labor	Total Expense	Total Cost
Task 1	Project Management and Administration	96	\$ 22,644	\$ 814	\$ 23,458
Task 2	60-Percent, 90-Percent, and Bid-Ready Design	513	\$ 107,624	\$ 7,393	\$ 115,017
Task 3	Services During Bidding	51	\$ 11,430	\$ 918	\$ 12,348
PROJECT TOTAL		660	\$ 141,698	\$ 9,125	\$ 150,823

EXHIBIT C
RH2 ENGINEERING, INC.
2023 SCHEDULE OF RATES AND CHARGES

RATE LIST	RATE	UNIT
Professional I	\$161	\$/hr
Professional II	\$178	\$/hr
Professional III	\$198	\$/hr
Professional IV	\$217	\$/hr
Professional V	\$233	\$/hr
Professional VI	\$247	\$/hr
Professional VII	\$265	\$/hr
Professional VIII	\$278	\$/hr
Professional IX	\$278	\$/hr
Technician I	\$126	\$/hr
Technician II	\$137	\$/hr
Technician III	\$154	\$/hr
Technician IV	\$169	\$/hr
Technician V	\$184	\$/hr
Technician VI	\$203	\$/hr
Technician VII	\$220	\$/hr
Technician VIII	\$231	\$/hr
Control Specialist I	\$161	\$/hr
Control Specialist II	\$178	\$/hr
Control Specialist III	\$198	\$/hr
Control Specialist IV	\$217	\$/hr
Control Specialist V	\$233	\$/hr
Control Specialist VI	\$247	\$/hr
Control Specialist VII	\$265	\$/hr
Control Specialist VIII	\$278	\$/hr
Control Specialist IX	\$278	\$/hr
Control Technician I	\$126	\$/hr
Control Technician II	\$137	\$/hr
Control Technician III	\$154	\$/hr
Control Technician IV	\$169	\$/hr
Control Technician V	\$184	\$/hr
Control Technician VI	\$203	\$/hr
Control Technician VII	\$220	\$/hr
Control Technician VIII	\$231	\$/hr
Administrative I	\$84	\$/hr
Administrative II	\$98	\$/hr
Administrative III	\$117	\$/hr
Administrative IV	\$137	\$/hr
Administrative V	\$158	\$/hr
CAD/GIS System	\$27.50	\$/hr
CAD Plots - Half Size	\$2.50	price per plot
CAD Plots - Full Size	\$10.00	price per plot
CAD Plots - Large	\$25.00	price per plot
Copies (bw) 8.5" X 11"	\$0.09	price per copy
Copies (bw) 8.5" X 14"	\$0.14	price per copy
Copies (bw) 11" X 17"	\$0.20	price per copy
Copies (color) 8.5" X 11"	\$0.90	price per copy
Copies (color) 8.5" X 14"	\$1.20	price per copy
Copies (color) 11" X 17"	\$2.00	price per copy
Technology Charge	2.50%	% of Direct Labor
Mileage	\$0.6550	price per mile (or Current IRS Rate)
Subconsultants	15%	Cost +
Outside Services	at cost	

Rates listed are adjusted annually.



Judy Treatment Plant Vicinity Map



0 50 100 200 Feet

NAD 1983 StatePlane Washington North FIPS 4601 Feet
 Author: wilson
 11/17/2023

Legend

Existing Mains

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

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Skagit
PUD
 PUBLIC UTILITY DISTRICT

SEC:05 | TWP: 34 | RGE: 05 | C.O. 5066 | P.N. 3793



1415 Freeway Drive | Mount Vernon, Washington 98273 | (360) 424-7104 | SkagitPUD.org

November 28, 2023

MEMORANDUM

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

FROM: Mark Handzlik, P.E. Engineering Manager

SUBJECT: Recommendation to Award - Skagit Country Club Pipeline Replacement Project - *Action*

Requested Action:

Authorize the general manager to enter a contract with Santana Trucking & Excavating, Inc., in the amount of \$2,548,066.72 for construction of the Skagit Country Club Pipeline Replacement Project.

Background:

The Skagit Country Club Project is a scheduled pipeline replacement project. The project will replace 6-inch, 4-inch, and 3-inch PVC and 6-inch and 4-inch A.C. distribution pipelines that have exceeded their useful life. Replacement piping will mostly consist of 8-inch C-909 pipe.

To meet current standards, many of the replacement pipes will have a larger diameter than currently exists. Up-sizing of these distribution pipelines to 8-inch C-909 will increase the fire suppression flow to the area and assist in sustaining pressures during fire flow events.

The project was advertised for bids on November 1 & 8, 2023, and sixteen (16) bid proposals were received on the closing date of November 15, 2023, bids were opened at 10:01 AM in the PUD Aqua Room. The bid results, including Washington state sales tax, are as follows:

Skagit Country Club Pipe Replacement Project

Ranking	Company	Bid Amount*	Corrected Bid
	Engineer’s Estimate	\$3,339,277.99	
1	Santana Trucking & Excavating	\$2,548,066.72	
2	Interwest Construction	\$2,570,555.00	\$2,570,555.01
3	Taylor’s Excavators, Inc.	\$2,581,159.99	
4	HCON Inc.	\$2,734,581.88	
5	SRV Construction, Inc.	\$2,779,234.94	
6	New X Inc.	\$2,894,184.95	\$2,894,201.03
7	Dekoster Excavating, Inc	\$2,913,340.77	
8	Faber Construction, Inc.	\$2,955,813.01	
9	InDepth Excavation	\$3,045,213.26	
10	D & G Backhoe, Inc.	\$3,096,935.06	\$3,098,067.62
11	Colacurcio Brothers Construction	\$3,118,359.71	

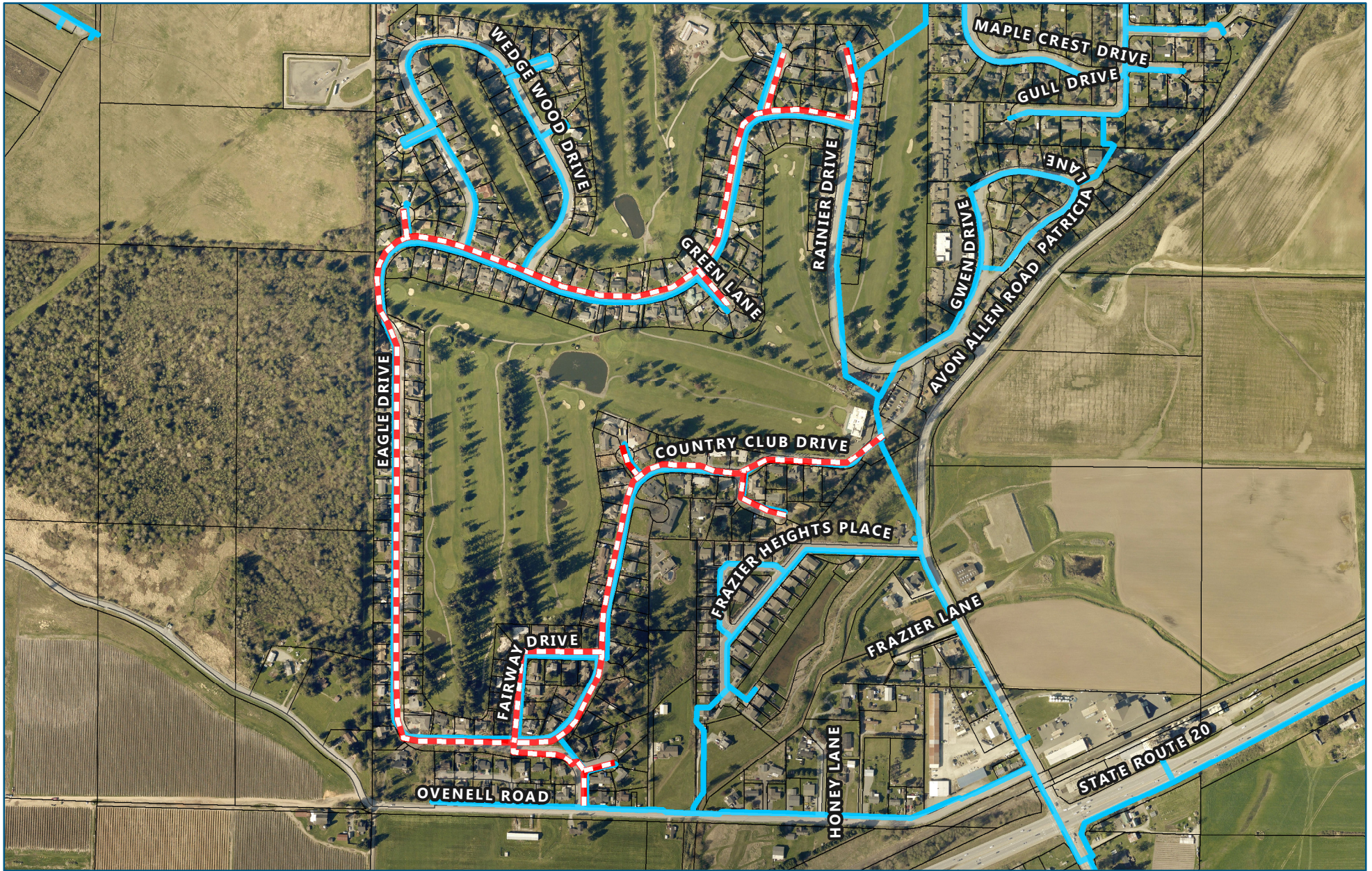
12	Stremmer Gravel Inc.	\$3,115,768.21	\$3,143,817.54
13	Konnerup Construction	\$3,262,240.82	
14	TRICO Companies, LLC.	\$3,299,351.28	
15	Ryatt Construction	\$3,411,243.04	
16	Redpoint Contracting	\$4,525,785.27	

Santana Trucking & Excavating, Inc., was the apparent low bidder after the bid opening. Upon review of their bid proposal, comparison to the bidding requirements and checking of references, they were deemed to be responsive and responsible.

Fiscal Impact:

Line item (MP20-5) *Skagit Country Club Pipeline Replacement* in the approved 2024 Budget is designated to fund this project. Total funding under this budget line item is \$3,600,000. The use of these funds for these projects is consistent with their intended purpose.

Enclosures: 1. [Map](#)






Skagit Country Club Pipeline Replacement



0 250 500 1,000 Feet

NAD 1983 StatePlane Washington North FIPS 4601 Feet
Author: wilson
11/15/2023

-  Proposed Main Line Replacement
-  Existing Main
-  Skagit County Parcels

Job Identity: CP5018-3737

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

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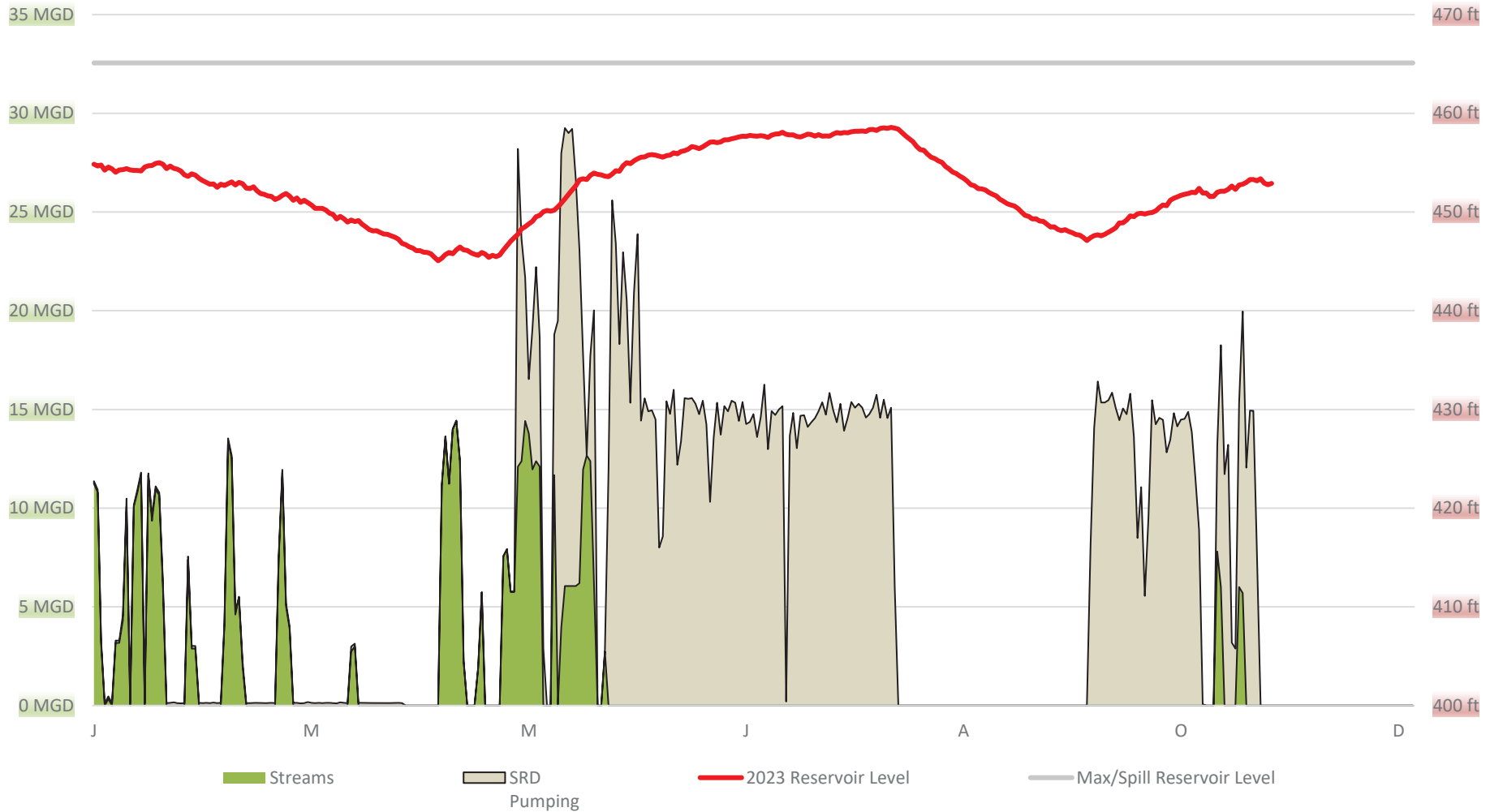
**PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY
OCTOBER 2023**

	<u>Current Month</u>	<u>YTD 2022</u>	<u>YTD 2023</u>	<u>Percent Change</u>	<u>Budget 2023</u>	<u>Budget to Actual %</u>
Beginning Reserves		\$ 35,030,909	\$ 43,060,754	23%		
Revenues						
Residential & Multi-family	\$ 2,210,018	\$ 17,773,989	\$ 19,307,719	9%	\$ 18,550,304	104%
Comm. Gov't & Agriculture	\$ 789,933	6,002,034	6,889,511	15%	6,269,044	110%
Resale	\$ 18,339	157,753	183,442	16%	183,855	100%
Irrigation	\$ 102,457	738,275	790,305	7%	776,160	102%
Water Sales	\$ 3,120,747	\$ 24,672,051	\$ 27,170,977	10%	\$ 25,779,363	105%
Other Water Sales	\$ 51,507	599,742	764,483	27%	405,311	189%
Non-operating Revenue	\$ 53,467	398,559 (a)	1,633,204	310%	447,545	365%
Work & Service Orders	\$ 110,757	728,209 (b)	419,133	-42%	624,978	67%
System Development Fees	\$ 49,307	804,723 (b)	753,214	-6%	833,300	90%
Total Revenues	\$ 3,385,785	\$ 27,203,284	\$ 30,741,010	13%	\$ 28,090,497	109%
Operating Expenses						
Salary/Wages/Benefits	\$ 823,554	8,561,132	8,806,832	3%	9,838,553	90%
WTP - Water, Power, Chem.	\$ 116,413	1,201,744	1,230,165	2%	1,214,648	101%
Repairs & Maintenance	\$ 115,716	1,181,546 (c)	1,003,400	-15%	1,443,545	70%
Tech./SCADA/Support	\$ 65,490	663,194 (d)	699,685	6%	559,947	125%
Professional Services	\$ 29,350	206,263 (d)	230,218	12%	582,961	39%
Goods & Services	\$ 197,859	1,515,826 (e)	1,742,631	15%	1,930,347	90%
Utility & Other Taxes	\$ 282	1,264,707	1,228,646	-3%	1,323,037	93%
Construction in Progress	\$ (87,971)	(1,011,668) (f)	(767,252)	-24%	(1,191,626)	64%
Total Operating Expenses	\$ 1,690,681	\$ 13,582,745	\$ 14,174,324	4%	\$ 15,701,412	90%
Capital Expenses						
Labor	\$ 82,495	861,609	979,304	14%	1,334,989	73%
Other Expenses (Equip, Inv, G&S)	\$ 1,500,399	21,008,210	12,981,404	-38%	30,331,678	43%
Capital Expenses	\$ 1,582,894	\$ 21,869,819 (f)	\$ 13,960,708	-36%	\$ 31,666,667	44%
Debt (Principal & Interest)	\$ 387,722	3,197,500	3,877,216	21%	3,877,216	100%
Total Capital & Debt Service	\$ 1,970,616	\$ 25,067,319	\$ 17,837,924	-29%	\$ 35,543,883	50%
Total Expenses	\$ 3,231,308	\$ 38,650,064	\$ 32,012,248	-17%	\$ 51,245,295	62%
Revenue Fund		\$ 18,879,041	\$ 36,980,073	96%		
System Development Fees		8,133,434	5,184,213	-36%		
Bond & Debt Reserve		769,339	1,314,868	71%		
Ending Estimated Reserves		\$ 27,781,814	\$ 43,479,154	57%		

- (a) Increase Interest on Investments
- (b) Decrease in service orders & new services
- (c) Timing or repairs
- (d) Timing of Projects, repairs & Purchases
- (e) Insurance, utilities, & general inflationary increases
- (f) Decrease Capital Expenditures

2023 Judy Reservoir Inflows & Elevation

November 15 Elevation:	452.99 (ft)
November 22 Elevation:	452.90 (ft)
Change in Elevation:	-0.09 (- 1.1 Inches)
Spillway Elevation:	465.10
Stream Inflow YTD:	536.84 MG
Skagit River YTD:	1987.21 MG



5-YEAR JUDY RESERVOIR ELEVATIONS

