

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

**AGENDA**  
JUNE 25, 2024  
4:30 PM

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

Join the meeting via Zoom: <https://skagitpud.zoom.us/j/82082590753?pwd=ZkUrVGE4T2xXK3NUV1ZRK2pxUDlxdz09>

Meeting ID: 820 8259 0753

Passcode: 009457

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](mailto:pud@skagitpud.org)

PLEDGE OF ALLEGIANCE

CONSENT AGENDA

1. Approval of Agenda 6/25/24
2. Approval of Minutes 5/28/24 Regular Meeting
3. Ratification of Vouchers 5/28/24, 6/4/24, 6/11/24, and 6/18/24
4. [2 Lot Short Plat Line Extension Project Acceptance](#)
5. [Offsite Waterline Replacement Project Acceptance](#)
6. [Little Mountain Sky Ridge Road Pipeline Project Acceptance](#)

WATER USE EFFICIENCY PUBLIC FORUM

7. [Water Use Efficiency Public Forum](#)

AUDIENCE COMMENTS

OLD BUSINESS

8. General Manager's Report
9. Human Resources Department Update
10. [Excessive Use Hardship Grant](#)

NEW BUSINESS

11. [Letter of Understanding between Skagit PUD and Swinomish Tribe for 2024 Seasonal Water Rights Transfers](#)
12. [Permanent Yard Maintenance Technician](#)

INFORMATION

13. Judy Reservoir Data Report
14. Recent News Article

COMMISSIONER COMMENTS

EXECUTIVE SESSION

- *Discuss potential litigation - Per RCW 42.30.110(1)(i)(ii)*

ADJOURNMENT

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

May 28, 2024

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 Joe Lindquist, president; Andrew Miller, vice president; and Corrin Hamburg, secretary, were in attendance.

In attendance were George Sidhu, Shannon Patiño, Nick Semrau, Mike Fox, Jay Sedivy, Pete Gilbert, Brian Henshaw, Sharon Mataya, Kevin Tate, Alistair Boudreaux, Mark Handzlik, Mark Semrau, Wendy LaRocque, Sara Young, Joe Poire, DeVere Bunke, and Becky Bunke.

Participating remotely: Courtney Shilling, Doug Streeter, and Charese Gainor

Commissioner Lindquist led the Pledge of Allegiance.

### CONSENT AGENDA

Commissioner Miller moved to approve the Consent Agenda for May 28, 2024, as presented.

1. Approval of Agenda 5/28/24
2. Approval of Minutes 5/14/24 Regular Meeting
3. Ratification of Voucher 5/14/2024 No. 3135 (\$605,250.20)  
Accounts Payable Voucher No. 29166 – 29203 (\$481,608.26)  
Electronic Funds Transfer (\$123,641.94)
4. Peterson Road Plat Project Acceptance
5. Mount Vernon Library Project Acceptance
6. Information Technology (IT) Policy Adoption

The motion passed unanimously.

Commissioner Lindquist moved up item #12 from New Business.

12. SkagitNet Resolution No. 24-10, Concerning Banking and Amending Operating Agreement: Port of Skagit Executive Director Young presented the SkagitNet resolution and explained that the resolution changes the banking authority to the highest-ranking finance official.

Commissioner Hamburg moved to approve SkagitNet Resolution No. 24-10 concerning banking and amending operating agreement.

The motion passed unanimously.

### AUDIENCE COMMENTS

DeVere Bunke, Representative for Lutheran Church in Sedro-Woolley, explained that the church recently experienced a water leak in its service line. However, the church does not qualify for a leak adjustment due to being classified as commercial, and requested that the church be reclassified as residential to qualify for a leak adjustment.

### OLD BUSINESS

7. Manager's Report: General Manager Sidhu provided an update on the following:
  - The water rights transfer authorizations with the irrigation districts were approved by the Department of Ecology, but the PUD has not yet obtained the meters that were written in the interlocal agreements due to supply chain issues. In the interim, it was agreed to use the irrigator's meter or pumping records that have been done in the past. Once the metering method has been finalized, and the checks received from the irrigators, the PUD will give permission to the irrigators to start using the water rights.
  - The state budget has been signed and the PUD will be receiving \$300,000 for the Olson Creek pipeline relocation.
  - On June 4, PUD managers, supervisors, and foremen will meet offsite to review the strategic plan strategies and tactics and develop new focus areas for the next one to

two years. Managers will then meet on June 18 to narrow down focus areas. After the meetings, Manager Sidhu will report to the board and update the implementation plan. The meetings and implementation plan update will be informed by the results from the recently conducted staff survey that received 56 responses out of 80 employees.

- An update on the PUD Campus Replacement project.

8. IT Department Update: IT Department Manager Boudreaux gave an IT Department update on a new ticket system to replace Spiceworks, cybersecurity news, and a timeline for getting the Cayenta upgrade rolled out.
9. Mount Vernon High School Energy Recovery Demonstration Project: Engineering Manager Handzlik briefly explained that the project was brought to the board at the last meeting, and there have not been any changes to the contract since, but the interlocal was updated to limit the PUD's responsibility for damages to the electric vehicle charging stations to up to \$2,000 annually. The only other pending component is the archeological determination from the Department of Commerce.

A brief discussion ensued.

Commissioner Hamburg moved to authorize the general manager to sign the interlocal agreement with the Mount Vernon School District for the Mount Vernon High School Energy Recovery Demonstration project and sign agreements with InPipe Energy, the Department of Commerce, and Trans Alta for the funding, design, construction of the project.

The motion passed unanimously.

10. Financial Hardship Assistance Application: General Manager Sidhu introduced the discussion and explained that in 2022, the PUD revised the leak adjustment policy to be more consistent with other utility districts in the region. The current policy excludes adjustments for leaks beyond the main service line to the main structure on the property. In previous meetings, there were discussions about revising the policy to include options that account for hardships and individuals who do not qualify for a leak adjustment.

Finance Manager Henshaw provided further background regarding the PUD's leak adjustment process and the drafted hardship assistance application included in the meeting agenda packet. A discussion about the application and other options for consideration ensued.

11. Public Records Act Resolution, Policy, AP&P: General Manager Sidhu explained that the resolution, policy, AP&P was presented to the board at the May 14, 2024, meeting for information and discussion and is now being presented for approval and adoption.

Commissioner Hamburg moved to approve Resolution No. 2305-24 relating to the Public Records Act (PRA) and authorize the general manager to sign Policy #1033, *Public Records Act and Disclosure*.

The motion passed unanimously.

## **NEW BUSINESS**

13. Pipeline Relocation Projects on SR-10 at Olson Creek and SR-9 North of Kalloch Road: Manager Handzlik explained that the project is being completed as part of the culvert replacement requirements. The drilling has been a challenge, and additional time is needed. The change order will increase the budget amount over what was initially planned, but final adjustments to the overall 2024 capital budget will be made to remain



within spending limitations authorized by the commission.

Commissioner Miller moved to authorize the general manager to approve Change Order 01 with Earthwork Solutions, LLC, in the amount of \$227,577.14 for additional HDD services at the SR20 Olsen Creek waterline relocation project.

The motion passed unanimously.

14. Draft Water System Plan Presentation: Capital Project Manager Semrau provided an update on the comprehensive water system plan, including why we plan and the kind of systems that require a plan, history, challenges with previous plans, focus with current plan, development process of plan, key findings, population growth, meter growth rate, WTP production projections, annual water consumption, planning implications, major Judy reservoir issues, pipeline material age, satellite system issues, updated capital improvement plan and implementation strategy.

Commissioner Hamburg proposed holding a workshop, and a brief discussion ensued regarding scheduling times for a work session and Q&A.

Commissioner Miller notified the board that he and General Manager Sidhu would be attending the ACE24 conference from June 10-13 and proposed canceling the June 11 meeting.

The board and Capital Project Manager Semrau agreed to discuss the water system plan contents and address the Water Use Efficiency measures at the meeting on June 25, hold a Q&A at the July 9 meeting, and then plan for a work session to follow if needed.

Commissioner Hamburg moved to cancel the June 11 board meeting.

The motion passed unanimously.

#### **INFORMATION**

- 15. Revisions to AP&P #2047 Fitness for Duty, and #2048 District Pandemic Response
- 16. Monthly Budget Status – March 2024
- 17. Judy Reservoir Data Report

#### **COMMISSIONER COMMENTS**

Commissioner Hamburg gave appreciation to Finance Manager Henshaw and Capital Project Manager Semrau for the information they provided on the items they presented.

#### **ADJOURNMENT**

Having no further business to come before the board, Commissioner Lindquist moved for adjournment. The motion passed, and the May 28, 2024, meeting adjourned at 6:39 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 \$2,493,107.66 this 28th day of May, 2024.

The total is comprised of the following:

Accounts Payable voucher No. from 29204 through 29294 in the amount of \$857,153.85, Electronic Funds Transfer in the amount of \$1,403,957.07. Payroll Electronic Funds Transfers and checks No. 044085 through 044169 in the amount of \$231,996.74.

Attest:

  
 \_\_\_\_\_  
 Manager

  
 \_\_\_\_\_  
 Auditor

\_\_\_\_\_  
 President

\_\_\_\_\_  
 Vice - President

\_\_\_\_\_  
 Secretary

Date: 05/29/2024

Page - 1

Voucher	Claimant	Amount
29204	820 TRAIL ROAD LLC	1,524.39
29205 - EDI	AFLAC	1,114.53
29206	ALL BATTERY SALES AND SERVICE	836.60
29207	ARHC MVMNWA01 LLC MOB (IRR)	2,102.78
29208	ASPECT CONSULTING LLC	4,943.75
29209	AVELINA M BANIAGA	214.52
29210 - EDI	BANNER BANK	519.67
29211	BRIANNE WESTHOFF	130.46
29212	BUCKWOOD LLC	7,126.99
29213	BUILDERS EXCHANGE OF	125.00
29214	CARMEN DAY	180.50
29215	CAROLLO ENGINEERS INC	35,236.95
29216	CDW GOVERNMENT INC	2,641.70
29217	CINTAS	74.28
29218	CITY OF ANACORTES	18,694.00
29219	CLEARLAKE STORE	118.90
29220	COMCAST BUSINESS	131.82
29221	COMMUNITY ACTION OF SKAGIT CTY	119.01
29222	CORE & MAIN LP	15,204.81
29223	SMOKEY POINT CONCRETE	671.30
29224	CRYSTAL SPRINGS	133.24
29225 - EDI	DEPARTMENT OF COMMERCE	1,181,611.94
29226	WA ST DEPT OF TRANSPORTATION	1,143.29
29227	DIANA KELLICK	142.00
29228	DOUGLAS RAMEY	366.08
29229	E&E LUMBER INC	15.67

Voucher	Claimant	Amount
29230 - EDI	ELECTRONIC FEDERAL TAX PAYMENT	84,344.23
29231	ELIEZER GOMEZ	145.58
29232 - EDI	EMPLOYEES WELFARE & RECREATION	306.00
29233 - EDI	EMPOWER RETIREMENT	815.00
29234	ENDURIS WASHINGTON	158.00
29235	EXPRESS EMPLOYMENT PROFESSIONALS	2,845.60
29236	FARMERS EQUIPMENT CO	101.13
29237	FIDEL MONTAR LOPEZ	182.72
29238	VALLEY FREIGHTLINER INC	296.69
29239	FRONTLINE CLEANING SERVICES	2,945.00
29240	GEOTEST SERVICES, INC.	4,705.00
29241	GRANICUS	15,113.96
29242	H.W. LOCHNER, INC	176.53
29243	HARRINGTON IND PLASTICS LLC	653.99
29244	HD FOWLER COMPANY INC	2,225.99
29245	HERC RENTALS INC	1,667.01
29246	HONEY BUCKET	80.00
29247	THE HOSE SHOP INC	466.42
29248	HOT TUBS NORTHWEST LLC	1,012.13
29249	ICONIX WATERWORKS (US) INC	1,612.72
29250	INTERNATIONAL DIOXIDE INC	690.00
29251	IWORKWISE	99.00
29252	KAYE- SMITH ENTERPRISES INC	11,162.08
29253	KELLER SUPPLY COMPANY	33.35
29254	KSA INVESTMENTS LLC	4,089.15
29255	SMILEY'S PRO SERVICES	220.63
29256	LAKESIDE INDUSTRIES INC	475.35
29257	LIBRADO ORTIZ MENDOZA	107.03
29258	LINDE GAS & EQUIPMENT INC	61.21
29259	LINDELL YACHTS	104.56
29260	MARTIN MARIETTA MATERIALS	1,531.15
29261	MELISSA DARLING	165.09
29262	MOUNT VERNON SCHOOL DIST #320	556.41
29263 - EDI	Mutual of Omaha	3,513.39
29264	N C MACHINERY CO	421.88
29265	NORTHSTAR CHEMICAL INC	5,156.85
29266	OLDCASTLE INFRASTRUCTURE INC	2,671.05
29267	ORKIN LLC	276.90
29268 - EDI	PAYMENTUS CORPORATION	15,652.66
29269	PUGET SOUND ENERGY	71,959.95
29270	PUMPTECH LLC	371,407.66
29271	PURMS JOINT SELF INS FUND	195,858.46
29272	QUADIANT, INC.	705.02
29273	RETAIL LOCKBOX INC.	2,599.55
29274	RH2 ENGINEERING INC	12,360.89
29275	ROB KISNER	6.47
29276	SALAZAR'S NURSERY &	406.67
29277	SEDRO WOOLLEY AUTO PARTS INC	19.59
29278	SKAGIT VALLEY REAL ESTATE PART	197.30

Voucher	Claimant	Amount
29279	SMART	480.94
29280	SNOHOMISH COUNTY DIST COURT	399.49
29281	SOUNDVIEW CONSULTANTS LLC	11,255.94
29282	TACOMA SCREW PRODUCTS INC	298.35
29283	TEAMSTER UNION LOCAL 231	4,169.28
29284	TYLER BUCKE	61.48
29285	ULINE INC	1,712.36
29286	US MOWER INC	145.75
29287	UTILITIES UNDERGROUND LOCATION	597.96
29288	VIEW POINT BUILDERS LLC	2,760.00
29289 - EDI	WA STATE DEPT OF RETIREMENT	109,293.60
29290 - EDI	WA STATE SUPPORT REGISTRY	844.89
29291 - EDI	WA STATE TREASURER	5,823.13
29292	ASTOUND BUSINESS SOLUTIONS LLC	2,521.53
29293	Wilson Engineering, LLC	23,141.01
29294 - EDI	ZIPLY FIBER	118.03
		2,261,110.92

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 \$1,542,829.71 this 4th day of June, 2024.

The total is comprised of the following:

Accounts Payable voucher No. from 29295 through 29338 in the amount of \$1,198,508.67, Electronic Funds Transfer in the amount of \$104,032.46. Payroll Electronic Funds Transfers and checks No. 044170 through 044253 in the amount of \$240,288.58.

Attest:

  
 \_\_\_\_\_  
 Manager  
  
 \_\_\_\_\_  
 Auditor

\_\_\_\_\_  
 President  
 \_\_\_\_\_  
 Vice - President  
 \_\_\_\_\_  
 Secretary

Date: 06/03/2024

Page - 1

Voucher	Claimant	Amount
29295	ALL BATTERY SALES AND SERVICE	354.58
29296	AQUATIC INFORMATICS INC	464.00
29297	AUSTIN BRECKENRIDGE	204.22
29298 - EDI	BANNER BANK	13,484.18
29299	BIG ROCK MV, LLC	3,500.00
29300	CB PACIFIC, INC.	10,771.20
29301	CERTIFIED LABORATORIES	261.61
29302	CINTAS	6.01
29303 - EDI	CITY OF MOUNT VERNON	101.50
29304	COLACURCIO BROTHERS, INC	336,856.74
29305	DENNA KAOPUA	173.40
29306	WA ST DEPT OF TRANSPORTATION	1,200.34
29307	DOUGLAS A STREETER	3,900.00
29308	DUCKY'S OFFICE FURNITURE	8,246.75
29309	EARTHWORK SOLUTIONS LLC	186,989.12
29310 - EDI	ELECTRONIC FEDERAL TAX PAYMENT	84,523.26
29311	EMILY CRAIG	87.44
29312 - EDI	EMPOWER RETIREMENT	815.00
29313	EUROFINS EATON ANALYTICAL LLC	988.00
29314	EXPRESS EMPLOYMNT PROFESSIONALS	1,476.14
29315	GATEWAY CONTROLS INC	364.90
29316	ASPECT CONSULTING LLC	26,813.67
29317	GEOTEST SERVICES, INC.	12,990.62
29318	HOME DEPOT	197.25
29319	HQ-NORTHWEST LLC	42.20
29320	INTERNATIONAL DIOXCIDE INC	38,732.18

Voucher	Claimant	Amount
29321	LOGGERS & CONTRACTORS SUPPLY	577.12
29322	MATERIALS TESTING & CONSULTING	1,035.50
29323 - EDI	NORTHWEST ADMINISTRATORS	632.70
29324	NURNBERG SCIENTIFIC	507.27
29325	PLATT ELECTRIC SUPPLY	264.90
29326	PUGET SOUND ENERGY	14,308.29
29327	RED KITE EMPLOYMENT LAW	8,921.42
29328	RH2 ENGINEERING INC	10,873.71
29329	SANTANA TRUCKING & EXCAVATING	482,838.18
29330	SUMMIT LAW GROUP PLLC	1,393.00
29331	T-MOBILE	256.31
29332	UNITED WAY OF SKAGIT COUNTY	150.00
29333	VERIZON WIRELESS	160.06
29334	VERNON GROUP LLC	5,400.00
29335	ASTOUND BUSINESS SOLUTIONS LLC	145.42
29336	WESTERN CONFERENCE OF	21,327.59
29337	WHS HOUSING AUTHORITY	15,729.53
29338 - EDI	ZIPLY FIBER	4,475.82
		1,302,541.13

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 \$1,997,938.96 this 11th day of June, 2024.

The total is comprised of the following:

Accounts Payable voucher No. from 29339 through 29396 in the amount of \$832,613.28, Electronic Funds Transfer in the amount of \$1,165,325.68. Payroll Electronic Funds Transfers and checks No. through in the amount of \$0.00.

Attest:

*Kevin Tate*

\_\_\_\_\_  
President

\_\_\_\_\_  
Vice - President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Manager  
*[Signature]*  
\_\_\_\_\_  
Auditor

Date: 06/10/2024

Page - 1

Voucher	Claimant	Amount
29339	AMAZON.COM SALES, INC.	3,908.02
29340	ANGELENA JEWETT	91.64
29341	CITYWORKS - AZTECA SYSTEMS LLC	52,894.03
29342	BADGER METER INC	2,671.87
29343	BEAVER LAKE QUARRY INC	280.50
29344	BOSTEC INC	404.32
29345	CAROLLO ENGINEERS INC	62,169.00
29346	CASCADE NATURAL GAS	662.38
29347	CDW GOVERNMENT INC	183,241.57
29348	CINTAS CORPORATION #460	3,428.43
29349	CITY OF MOUNT VERNON	14,353.21
29350 - EDI	CITY OF MOUNT VERNON	301.50
29351	CITY OF SEDRO WOOLLEY	26,994.88
29352	COMCAST BUSINESS	131.82
29353 - EDI	COMER GC, INC.	1,153,734.23
29354	CONSTANTIN ANTON	74.21
29355	CONSTANTIN ANTON	164.71
29356	CORE & MAIN LP	4,520.80
29357	CSD ATTORNEYS AT LAW	1,056.00
29358	DEBRA DENTON	103.59
29359	Tiggee, LLC	2,100.00
29360	DREW SALAZAR	155.50
29361	EXPRESS EMPLOYMNT PROFESSIONALS	1,173.81
29362	FRONT DESK	550.00
29363	GAIL G TRUCKER	60.73
29364	GLENN PLOWMAN	112.56

Voucher	Claimant	Amount
29365	HOLLY ROGERS	181.88
29366	ICONIX WATERWORKS (US) INC	14,613.40
29367	JAMES DAVIS	164.06
29368	JIM PERKINS	119.49
29369	JULIANA MERINO	80.64
29370	LANE POWELL PC	5,718.40
29371	LARRY PREWITT	186.15
29372	LAKESIDE INDUSTRIES INC	505.99
29373	MARTIN MARIETTA MATERIALS	1,742.16
29374	MATTHEW ORNELAS	202.65
29375	HARRIS COMPUTER SYSTEMS	107,259.39
29376	NATIONAL SAFETY INC	391.68
29377	NELSON-REISNER	12,590.79
29378	NORTH HILL RESOURCES	316.37
29379	NW CAPITAL SOLUTIONS LLC	135.78
29380	PACIFIC POWER BATTERIES	63.04
29381	PACIFIC SECURITY	341.81
29382	PUGET SOUND ENERGY	10,342.66
29383	PURMS JOINT SELF INS FUND	256,516.44
29384	RICOH USA INC	26.50
29385	ROB KISNER	50.00
29386	RON HODGIN	63.78
29387	SKAGIT COUNTY GIS	14,067.50
29388	THE DRIFTMIER ARCHITECTS P S	37,346.21
29389	TRISTAN COOK	158.53
29390	ULINE INC	1,828.86
29391	VERIZON WIRELESS	4,275.66
29392	ASTOUND BUSINESS SOLUTIONS LLC	116.86
29393	WASTE MANAGEMENT OF SKAGIT	1,842.23
29394	WOODS ACQUISITION CORP DBA	49.94
29395 - EDI	ZIPLY FIBER	11,289.95
29396	ZOOM VIDEO COMMUNICATIONS INC	10.85
		1,997,938.96



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 \$1,530,818.17 this 18th day of June, 2024.

The total is comprised of the following:

Accounts Payable voucher No. from 29397 through 29453 in the amount of \$968,075.96, Electronic Funds Transfer in the amount of \$321,200.00. Payroll Electronic Funds Transfers and checks No. 044393 through 044477 in the amount of \$241,542.21.

Attest:

  
 \_\_\_\_\_  
 Manager

  
 \_\_\_\_\_  
 Auditor

\_\_\_\_\_  
 President

\_\_\_\_\_  
 Vice - President

\_\_\_\_\_  
 Secretary

Date: 06/17/2024

Page - 1

Voucher	Claimant	Amount
29397 - EDI	AMERITAS LIFE INSURANCE CORP	595.90
29398	BADGER METER INC	199,865.60
29399 - EDI	BANNER BANK	557.06
29400	CDW GOVERNMENT INC	816.00
29401	CINTAS	62.88
29402	CITY OF ANACORTES	18,694.00
29403	COLLIN MARTIN	115.87
29404	Choice Grounds Care	3,044.27
29405 - EDI	ELECTRONIC FEDERAL TAX PAYMENT	90,792.35
29406 - EDI	EMPOWER RETIREMENT	815.00
29407	ENTERPRISE FM TRUST	73,759.16
29408	EXPRESS EMPLOYMENT PROFESSIONALS	1,422.80
29409	GRAYBAR ELECTRIC COMPANY INC	81.76
29410	THE HOSE SHOP INC	57.84
29411	ICONIX WATERWORKS (US) INC	2,034.97
29412	INPIPE ENERGY, INC	412,605.00
29413	INTERNATIONAL DIOXIDE INC	5,595.34
29414	IWORKWISE	99.00
29415	JAMES MCCLAIN	161.68
29416	KAREN PETERKA	3,355.52
29417	KAYE- SMITH ENTERPRISES INC	9,666.69
29418	KELLI BALLENGER	48.03
29419	KIMBALL MIDWEST	1,038.93
29420	LINDE GAS & EQUIPMENT INC	1,579.95
29421	LOOMIS ARMORED US LLC	241.19
29422	MADLINE WEATHERBY	100.00

Voucher	Claimant	Amount
29423	MATERIALS TESTING & CONSULTING	815.00
29424	HARRIS COMPUTER SYSTEMS	40,908.80
29425	NELSON-REISNER	1,058.91
29426	NORTH SKY COMMUNICATIONS	64.87
29427	AUTO VALUE	286.62
29428	ODP BUSINESS SOLUTIONS, LLC	307.18
29429	OLYMPIC COLLECTION INC	625.41
29430	OWEN EQUIPMENT COMPANY	7,177.11
29431	PAPE MACHINERY INC	98.71
29432	PLATT ELECTRIC SUPPLY	407.92
29433	PUGET SOUND ENERGY	125,572.53
29434	RETAIL LOCKBOX INC.	2,556.69
29435	SAN JUAN CABLE	115.90
29436	SECURITY SOLUTIONS NORTHWEST	16,022.81
29437	SKAGIT FARMERS SUPPLY	49.95
29438	SKAGIT REGIONAL HEALTH	110.00
29439	SKAGIT VALLEY PUBLISHING	123.74
29440	TRANE US INC	4,943.02
29441	TRUCK TOYS INC	6,753.72
29442	USABLUEBOOK	575.46
29443	UTILITIES UNDERGROUND LOCATION	547.80
29444 - EDI	WA STATE DEPT OF RETIREMENT	107,073.22
29445 - EDI	WA STATE DEPT OF REVENUE	114,549.44
29446 - EDI	WA STATE SUPPORT REGISTRY	844.89
29447 - EDI	WA STATE TREASURER	5,854.11
29448	WASHINGTON PUD ASSOCIATION	5,495.00
29449	ASTOUND BUSINESS SOLUTIONS LLC	2,151.18
29450	Wilson Engineering, LLC	12,861.15
29451 - EDI	ZIPLY FIBER	118.03
29452	ESTATE OF JOHN W MILLAGE	500.00
29453	GORILLA PROPERTIES LLC	3,500.00
		1,289,275.96



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

---

June 25, 2024

**MEMORANDUM**

**TO:** Board of Commissioners  
**FROM:** Mark Handzlik PE, Engineering Manager  
**SUBJECT:** 2 Lot Short Plat Line Extension Project Acceptance

**Requested Action:**  
Project acceptance of the 2 Lot Short Plat Line Extension Project.

**Background:**

Reference: CP11940  
Location: Mount Vernon  
Developer: Donald & Victoria Simpson  
Contractor: Chad Fisher Construction LLC

The PUD has approved the plans and specifications and has inspected the installation of the new water plant within the above project. The Engineering Department has received satisfactory pressure and bacteriological test results. All documentation for this project has been completed.

**Fiscal Impact:**  
None.

Enclosures: 1. [2 Lot Short Plat Line Extension Project Acceptance Map](#)





**Single Domestic Service**

### Larson Ln 2 Lot Short Plat Line Extension Project Acceptance



0 250 500 1,000 Feet

NAD 1983 StatePlane Washington North FIPS 4601 Feet  
Author: wilson  
10/5/2023

- Existing Main
- - - Awaiting Acceptance
- Parcels

Job Identity: CP11940

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

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







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

---

June 25, 2024

**MEMORANDUM**

**TO:** Board of Commissioners  
**FROM:** Mark Handzlik PE, Engineering Manager  
**SUBJECT:** Offsite Waterline Replacement Project Acceptance

**Requested Action:**  
Project Acceptance of the Offsite Waterline Replacement Project (CP 15774).

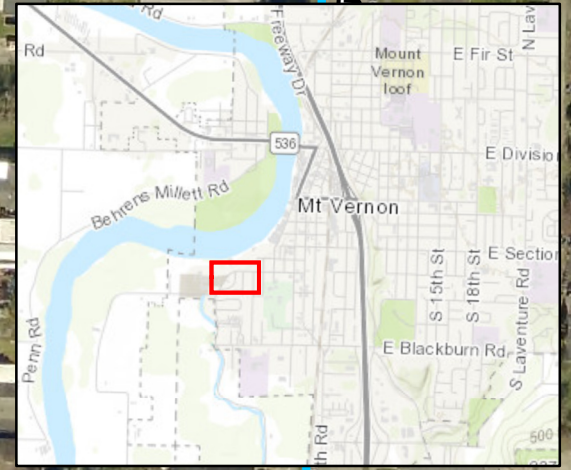
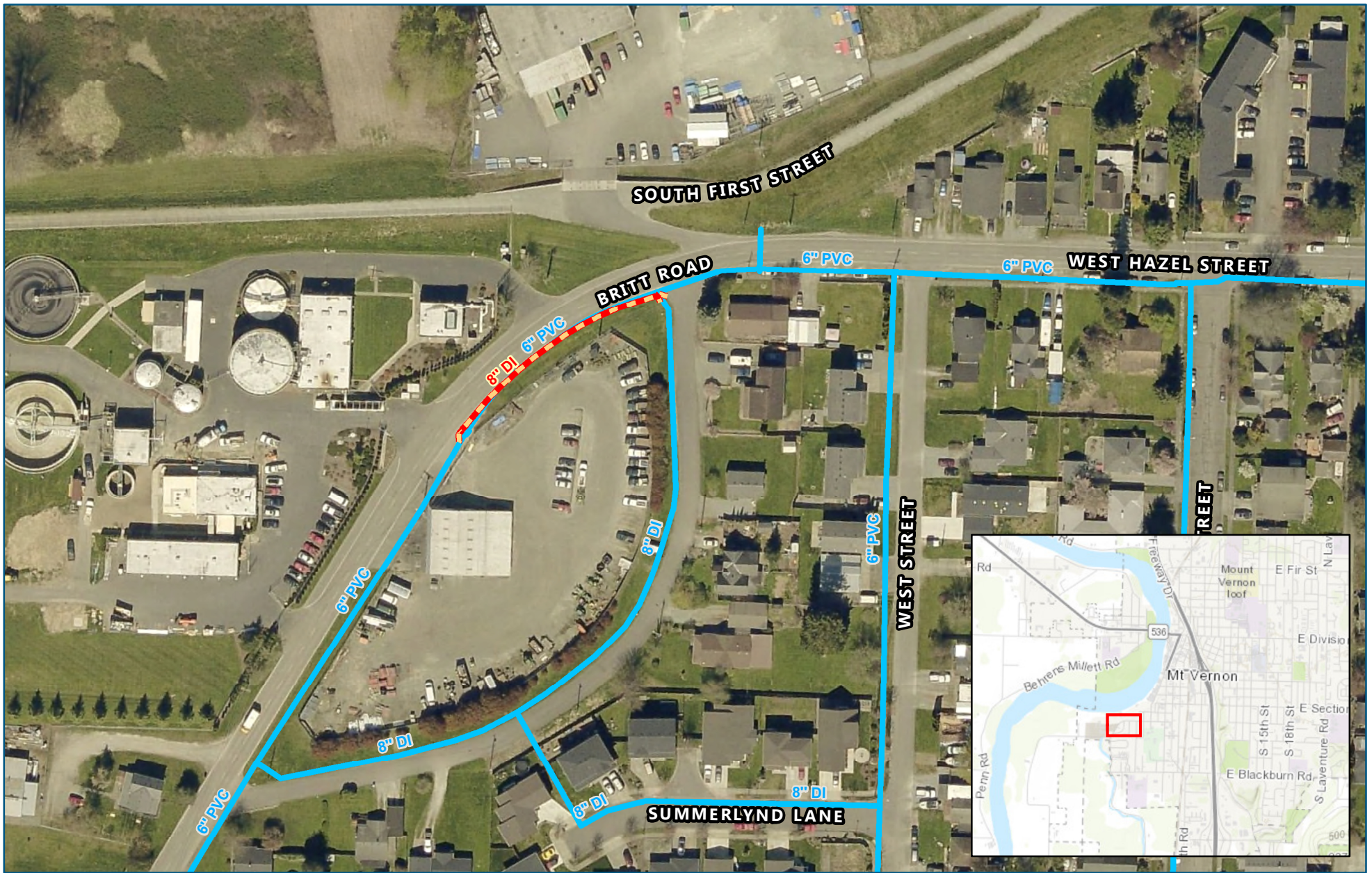
**Background:**

Reference: CP15774  
Location: Mount Vernon  
Developer: City of Mount Vernon  
Contractor: All Terrain Construction LLC

The PUD has approved the plans and specifications and has inspected the installation of the new water plant within the above project. The Engineering Department has received satisfactory pressure and bacteriological test results. All documentation for this project has been completed.

**Fiscal Impact:**  
None.

Enclosures: 1. [Offsite Waterline Replacement Project Acceptance Map](#)



## Offsite Waterline Replacement Project Acceptance



0 50 100 200 Feet

NAD 1983 StatePlane Washington North FIPS 4601 Feet  
Author: wilson  
5/26/2024

- Existing Main
- - - Awaiting Acceptance

Job Identity: CP15774

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

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





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

---

June 25, 2024

**MEMORANDUM**

**TO:** Board of Commissioners  
**FROM:** Mark C. Handzlik, P.E. Engineering Manager  
**SUBJECT:** Little Mountain Sky Ridge Road Pipeline Project Acceptance

**Requested Action:**  
Accept the closeout of the Little Mountain Sky Ridge Road Pipeline Project.

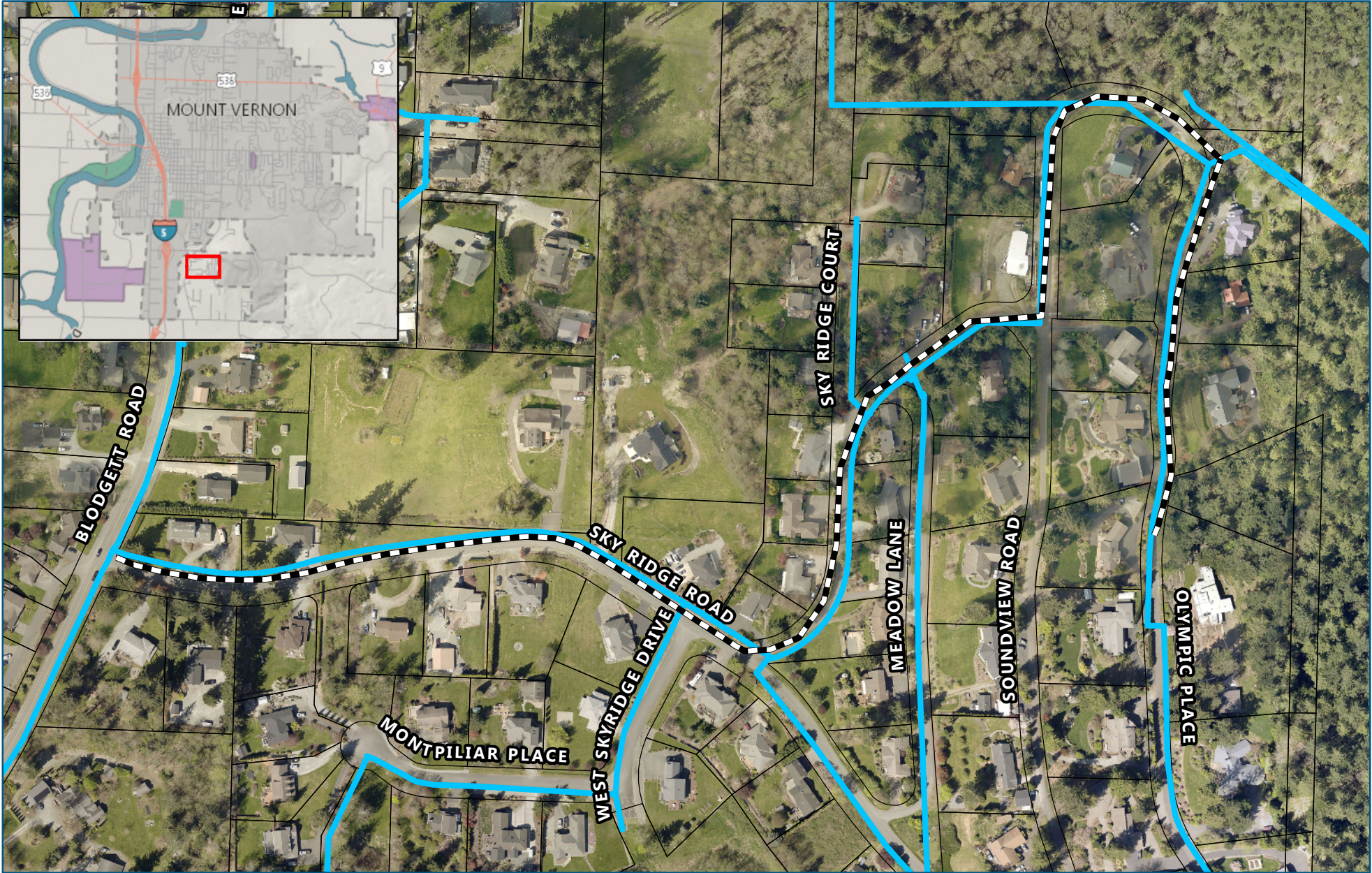
**Background:**  
Reference: Project #3484  
Location: Mount Vernon  
Developer: Skagit PUD  
Contractor: SRV Construction Inc.

The PUD has approved the plans and specifications and has inspected the installation of the new water plant within the above project. The Engineering Department has received satisfactory pressure and bacteriological test results. All documentation for this project has been completed.

**Fiscal Impact:**  
None.

Enclosures: 1. [Map](#)





### Skyridge Pipeline and Booster Station Vicinity Map



0 100 200 400 Feet

NAD 1983 StatePlane Washington North FIPS 4601 Feet  
 Author: wilson  
 12/29/2022

- Proposed Main
- Existing Main
- Parcels

CO4791 PN3484

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

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







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

June 25, 2024

MEMORANDUM

TO: George Sidhu, P.E., General Manager
FROM: Mark Handzlik, P.E., Engineering Manager
SUBJECT: Water Use Efficiency Public Forum

Requested Action:

Conduct a public forum for the presentation and discussion of water use efficiency goals for the next 6 to 10 years.

Background:

An important step in a water use efficiency program is setting goals that can be measured. Goals provide a benchmark for achievement and measure our success. Skagit PUD must set its goals through a public process (WAC 246-290-830(4)(a) every 6 to 10 years. Water use efficiency benefits include:

- 1. Demonstrating environmental stewardship,
2. Potential financial saving for our customers, and
3. Delay capacity-related infrastructure improvements.

Fiscal Impact:

A water use efficiency program and its associated goals has the potential to impact customer consumption, delay capacity improvements, and potentially reduce revenue. Skagit PUD will need to examine the effects of water use efficiency on capital improvement plans and revenue to establish a sustainable rate structure to maintain financial viability.

Furthermore, a rate structure that encourages water use efficiency can adversely impact water affordability, especially for our low-income and disadvantaged customers.

Here are some thoughts to consider:

- Determine the revenue effect of water use efficiency goals.
• Recognize that these goals may reduce revenue that will need to be addressed in the upcoming rate study and impacts to its structure.
• Continue rate increases on those customers that use water above basic needs. Reward those customers that use less water by not raising their rates as much.

Enclosures: 1. 2024 WSP Ch. 4 Water Use Efficiency

## 4 WATER USE EFFICIENCY PROGRAM

Water is a precious, limited resource. Water use affects our neighbors, businesses, farms, and the environment. In Washington state and elsewhere, residential development, industry, agriculture, and recreation growth have increased demand and, thus, competition for water. In addition, dwindling salmon stocks and their listing under the Endangered Species Act have heightened concern about excessive water use and compliance with water resource laws. As the potential to develop new water sources diminishes, efficient water use is necessary to meet future demand.

The purpose of this chapter is to provide information on state-mandated conservation requirements for municipal water suppliers, the PUD's level of compliance with those requirements, the PUD's current adopted water use efficiency program, and the water use efficiency program that will be implemented from 2024 through 2029, and may be extended to 2034.

The following section discusses the regulatory requirements concerning the Washington State Municipal Water Law and the status of the PUD's compliance with each requirement.

### 4.1 Source and Service Metering

The PUD completed meter installations in 2003. All water consumed by legal customers is metered. The PUD also has system meters throughout its distribution system and at interties.

Proper maintenance of water meters is essential for water utilities. It ensures the accurate measurement of water usage, which is crucial for billing purposes and identifying potential leaks or losses within the distribution system.

Due to the mechanical nature of some water meters, accuracy decreases as the meter ages. Regular inspections and timely repairs can extend the lifespan of the meter, reducing the need for costly replacements. Furthermore, it aids in conserving water resources by promoting responsible usage and detecting wastage. Thus, the role of well-maintained water meters assists in the smooth operation of a water utility and supports sustainable water management practices.

#### 4.1.1 Large Meter Testing

Since 2005, the PUD has worked with a meter repair contractor to perform testing, recalibration, and repair work on 2-inch and larger meters within the distribution system and fire hydrant meters leased to mobile or transient customers. The meters are flow-tested for high, medium, and low accuracy rates. Meters that are under-reading or leaking are repaired or replaced. Approximately one-third of the system's large meters (70+) are tested yearly. These include source meters, zone meters, customer service meters, and fire service meters.

In the spring, hydrant meters (40+) are tested and calibrated before customer demand increases during the summer for construction projects, crop irrigation, and livestock watering.

### 4.1.2 Service Meter Testing

Service meters less than 2 inches are not tested on any regular interval. These small meters are typically a disk-type, positive displacement measurement. These small meters are commonly used for residential and small commercial customers.

The typical lifespan of a small service meter is 25 to 35 years. This meter lifespan is typically twice the lifespan of our remote read transmitters. Remote read transmitters are replaced as they fail. After replacement, the service meters are expected to have an additional useful life of 15 to 20 years.

Some service meters are checked for accuracy, typically when a customer is concerned about their water bill. These random and infrequent tests indicate that the service meters are accurate and reliable. Also, PUD staff tracks high-use meters to check their accuracy, and meter technicians routinely replace service meters showing inaccuracy or failure.

## 4.2 Distribution System Leakage

A distribution leakage program is vital to a water utility's operations. It plays a crucial role in ensuring the efficiency and sustainability of the water supply. By identifying and addressing leaks promptly, the program helps to prevent water loss. Moreover, it aids in maintaining the integrity of the infrastructure, avoiding costly damages, and prolonging its lifespan. The program also contributes to accurate billing, as undetected leaks can lead to significant discrepancies in water usage data. Therefore, a leak reduction program is economically beneficial and essential for the stewardship of water resources.

### 4.2.1 Annual Water Audits

The annual water audit is essential for monitoring and controlling distribution system leakage (DSL). The DSL for the Judy System and all six satellite systems is conducted annually and reported to the DOH. The DSL is calculated as the difference between the total water delivered and authorized consumption.

#### 4.2.1.1 Water Supplied

The Judy Reservoir Water System has produced (treated) and purchased water sources. The produced water is from the Judy WTP and is the primary source. The PUD can also buy water from the city of Anacortes. It is included in the calculation despite water being purchased in typically small amounts and only used under abnormal operating conditions.

Water produced is measured through three meters: the Mount Vernon meter, the Sedro-Woolley meter, and the Panorama Zone meter. All three meters are located at the Judy WTP. The Mount Vernon and Sedro-Woolley meters are installed at the beginning of their respective transmission pipelines; therefore, transmission pipeline leakage is included in the DSL calculation. The Panorama meter measures water supplied to the Panorama service area northwest of the Judy WTP.

Water purchased from the city of Anacortes is measured through 11 intertie meters located on their transmission pipeline between the Anacortes Water Treatment Plant and the Berentson Bridge. Intertie meters at Josh Green Lane and Bayview-Edison Road are the primary supply to PUD customers

in the Judy retail service area. The remaining intertie meters are used on an emergency basis or during abnormal operating conditions.

#### **4.2.1.2 Authorized Consumption**

Authorized consumption (AC) originates from a variety of sources. The primary AC is from customers. All customer meter usage is recorded on a monthly or bimonthly billing cycle. Customer meters include two wholesale meters for the Samish Farms and North Fir Island water systems.

Other AC sources include hydrant meters and fill stations, maintenance flushing, fire department usage, and metered water usage at PUD facilities. Hydrant meters are loaned out to contractors or customers for short periods to draw water from fire hydrants throughout the system.

#### **4.2.1.3 System Leakage**

DSL originates from both apparent and actual water losses. One noticeable real loss is from water pipeline breaks. The break repair documentation estimates the volume of water lost through master meter records, leak geometry, and system pressures. Other sources of actual losses include water theft, which is identified and corrected continuously. Apparent losses can be from meter inaccuracies, minimized through meter servicing, calibration, or replacement.

#### **4.2.1.4 Calculation and Reporting**

Skagit PUD uses the DSL calculation methodology outlined in the Water Usage Efficiency Guidebook (3<sup>rd</sup> edition, Jan. 2017). The DSL volume is calculated using the following equation:

$$\text{Volume of DSL} = \text{Total Water Produced and Purchased [TP]} - \text{Authorized Consumption [AC]}$$

The percentage of DSL is calculated using the following equation:

$$\text{Percent DSL} = [(\text{TP} - \text{AC}) \div \text{TP}] \times 100$$

The DSL volume and percentage are reported to the Department of Health annually. The annual reports for the Judy system can be found on the DOH Sentry website and are published in the Consumer Confidence Reports.

### **4.3 Water Use Efficiency Program**

In January 2008, Skagit PUD established measurable water-saving goals, including the supply and demand side of the distribution system. The Municipal Water Law requires these goals to be selected through a public process. The goals provide a benchmark for achievement and play a significant role in defining the success of this Water Use Efficiency Program. To remain in compliance with the update to the Water System Plan, the PUD re-established its 6-year WUE goals in 2013 for the 10 years from 2014 through 2019. The PUD extended these goals for the five years from 2020 through 2024.

The community relations manager administers many parts of the Water Use Efficiency Program and coordinates public notifications and input. The PUD’s WUE goals and the measures taken to help meet those objectives are described below.

### **4.3.1 WUE Goals**

1. Reduce consumption from 146 gallons per day per ERU [gpd/ERU] to 138 gpd/ERU by 2029 and 136 gpd/ERU by 2034.
2. Maintain distribution system leakage (DSL) 3-year rolling average at 10% or less of total water supplied annually.

### **4.3.2 WUE Program Elements**

The PUD’s Water Use Efficiency program for 2024 to 2034 consists of the same nine measures listed in the 2014 WSP and the 2021 WSP Limited Update.

#### **4.3.2.1 Public Outreach**

The PUD encourages customers to be mindful of their water usage. Through community events, PUD staff educate the public on identifying leaks, conserving water, and using water efficiently.

The PUD’s bi-monthly *Pipeline* newsletter offers seasonal water-saving tips and highlights the Water Use Efficiency Program. The PUD also employs its website and social media to promote water-wise habits.

The PUD sponsors events to raise awareness about water efficiency, conservation, and resource protection. These initiatives aim to educate the community about protecting our watershed and conserving resources.

The PUD will continue its various public outreach activities. In addition, the PUD will explore workshop opportunities and partnerships that address drip irrigation systems, pre-rinse spray valves in commercial and institutional kitchens, low-water demand landscaping, and toilet and urinal retrofits. This evaluation will track the number of programs conducted annually.

#### **4.3.2.2 School Outreach**

The PUD offers school groups free tours of Judy Reservoir, the water treatment plant, and streams within the watershed. In 2012, the PUD introduced “The Story of Drinking Water” program to elementary classrooms. This program emphasizes the importance of a safe and reliable water supply.

The PUD provides teachers with a free guide that includes 33 water-related activities. Students using the curriculum receive an illustrated booklet. The activities align with national Science Process Standards and Bloom’s revised Cognitive Taxonomy of Educational Objectives. The materials cover various subjects, including science, math, social studies, and language arts.

The PUD also participates in school science fairs, distributing water-saving items and engaging students and parents.

The PUD will continue providing school-based education programs. This evaluation will track the number of programs conducted and students reached annually in these education programs.

#### **4.3.2.3 Indoor Retrofit Kits**

The PUD is a conservation partner with the U.S. Environmental Protection Agency's [EPA's] WaterSense program to help customers decrease water use through water-efficient products and simple water-saving practices. The program encourages customers to look for WaterSense-labeled products, which have been independently certified for efficiency and performance while promoting water-saving techniques that reduce stress on water systems and the environment. The kits were first available through the PUD in 2008 but were not heavily marketed. New kits were developed in 2012 and include one 1½ gpm low-flow showerhead, plus a kitchen and bathroom aerator, which are available for sale at the PUD office.

According to the EPA, the average family could save 2,700 gallons of water a year by switching to a certified low-flow shower head. The EPA also states that the average family could save up to 700 gallons of water annually by switching from a standard-flow faucet to a WaterSense-labeled aerator faucet. Also, these savings will reduce demands on water heaters, leading to additional energy savings.

The PUD will continue providing customers with showerheads and faucet aerators to replace their less efficient fixtures. The PUD tracks the number of showerheads and aerators provided.

#### **4.3.2.4 Shower Timers**

Standard showerheads use 2.5 gallons of water per minute; low-flow showerheads use less than 2 gallons. So, an average 8-minute shower uses 16 to 20 gallons of water. For every minute shaved off shower time, customers are saving water. By setting the timer to 5 minutes, customers can save 6 to 7.5 gallons per shower, which can add up.

The PUD will continue offering customers free shower timers. The shower timer is one of the PUD's most popular event giveaway items. The timers provide a visual reminder that people can quickly reduce household water consumption by shortening the time spent in the shower. Customers' use of shower timers is not trackable, but the PUD will track the number of timers distributed.

#### **4.3.2.5 Toilet Leak Kits**

Toilet leaks are caused by worn or damaged parts in the flush tank. Toilet leaks can be a significant source of water wastage. According to the EPA, toilet flushes account for nearly 30 percent of daily water consumption. When a toilet leaks, it can lead to thousands of lost gallons every month.

Specifically, a leaking toilet can account for up to 7% of water usage or 4,000 to 7,000 gallons per year. Furthermore, about 20% of all toilets leak. These figures underscore the importance of regular maintenance and timely repairs of toilet fixtures to prevent leaks and conserve water.

The PUD will continue providing customers with free toilet leak detection kits containing dye tablets. Messaging will include detailed information on why toilet tanks typically leak and how to fix leaks.

Toilet leak repair by customers is not trackable, but the PUD will track the number of leak detection kits provided to customers.

#### **4.3.2.6 Soil Moisture Meters**

According to the EPA, homeowners use between 30% and 70% of their water outdoors. Experts estimate that 50% of the water used outdoors goes to waste due to evaporation, wind, or runoff caused by overwatering. In 2012, the PUD began offering customers the soil moisture meter, which promotes healthier lawns, gardens, and shrubs and helps save water by eliminating improper watering. The meters accurately measure the moisture in the soil at the root level where it counts. By inserting the probe into the soil at the root level, customers can read the meter and know instantly if too much watering has occurred. This process takes the guesswork out of watering.

The PUD will continue providing customers with soil moisture meters. This evaluation will track the number of soil moisture meters provided to customers annually.

#### **4.3.2.7 Rain Barrel Program**

In October 2010, the PUD introduced its Rain Barrel Program to single-family and commercial customers to create awareness and visibility around water use practices. As part of the program, PUD staff conducted small group workshops that taught customers how to build, set up, and maintain their rain barrels. The act of collecting rainwater can be an inspiration to find other ways to conserve water around the home. Due to the program's popularity, the PUD is often invited to speak at various clubs and school events about the benefits of harvesting rainwater. Rain barrels are also donated to non-profit auction events to help market the program and raise awareness for the need to be good water stewards.

The PUD will continue offering workshops and selling customers rain barrels. This evaluation will consist of annually tracking the number of rain barrels sold and distributed. This value will then be multiplied by the estimated gallons saved per barrel during the growing season to determine the total water savings achieved. The PUD will also seek partnerships with outside organizations to market and creatively promote the rain barrel program.

#### **4.3.2.8 Customer Leak Detection and Repair**

The PUD's customer leak detection program is proactive. It consists of being aware of probable customer leaks, notifying customers, following up with customers, and maintaining a leak adjustment policy that encourages prompt repair.

The PUD has transitioned to the Badger ORION Automated Meter Reading (AMR) system since the fall of 2005. During the reading process, the AMR system alerts meter technicians via a radio signal of possible leaks if a water meter has not stopped moving for at least 1 hour over 24 hours. Likewise, the billing system identifies customers with abnormally high consumption during bill preparation. Customer notification and follow-up occur through various means, including door hangers, emails, mailings, and phone calls.

The PUD will continue with its leak detection and repair program. This evaluation will track the number of water leak repairs processed annually.

#### **4.3.2.9 Consumption History of Customer Bill Summary**

The PUD provides historical consumption data on bills to assist customers in understanding how their use varies throughout the year and from year to year. This information helps customers make informed choices about managing their water use, including implementing conservation efforts. Additionally, unexpected increases in use can alert customers to possible leaks. The PUD's customer bills have included data on historical use since 1991. The bills include a bar graph showing water use for the previous 24 months, which can help show customers the difference between their summer and winter water use.

The PUD will continue providing bills that show consumption history. The effectiveness of this consumption history is not trackable.

In summary, water conservation efforts are essential for sustainable water management, and the PUD's multifaceted approach ensures that both individuals and the community play a role in preserving this precious resource.

## **4.4 Water Use Efficiency Savings**

The PUD's conservation program for 2024 to 2029 consists of the eight measures previously discussed. Descriptions of each measure are provided below. All measures will be implemented during the next 10 years. The program reflects a continuation and enhancement of many of the measures from previous WUE programs.

### **4.4.1 WUE Program Implementation**

The WUE program will be funded through customer rates and is included in the updated budget discussed in this WSP. The savings achieved by the program and the corresponding progress toward reaching the PUD's savings goal will be estimated by tracking the number of devices distributed and multiplying that number by their per-unit savings. The program is anticipated to be implemented evenly over the 6-year planning period.

The 2014-2019 WUE Program was established and presented in the 2014 Water System Plan. The stated WUE goals were:

1. Save a cumulative total of 6 million gallons of water by 2019.
2. Reduce distribution system leakage to 10% or less of total water production annually.

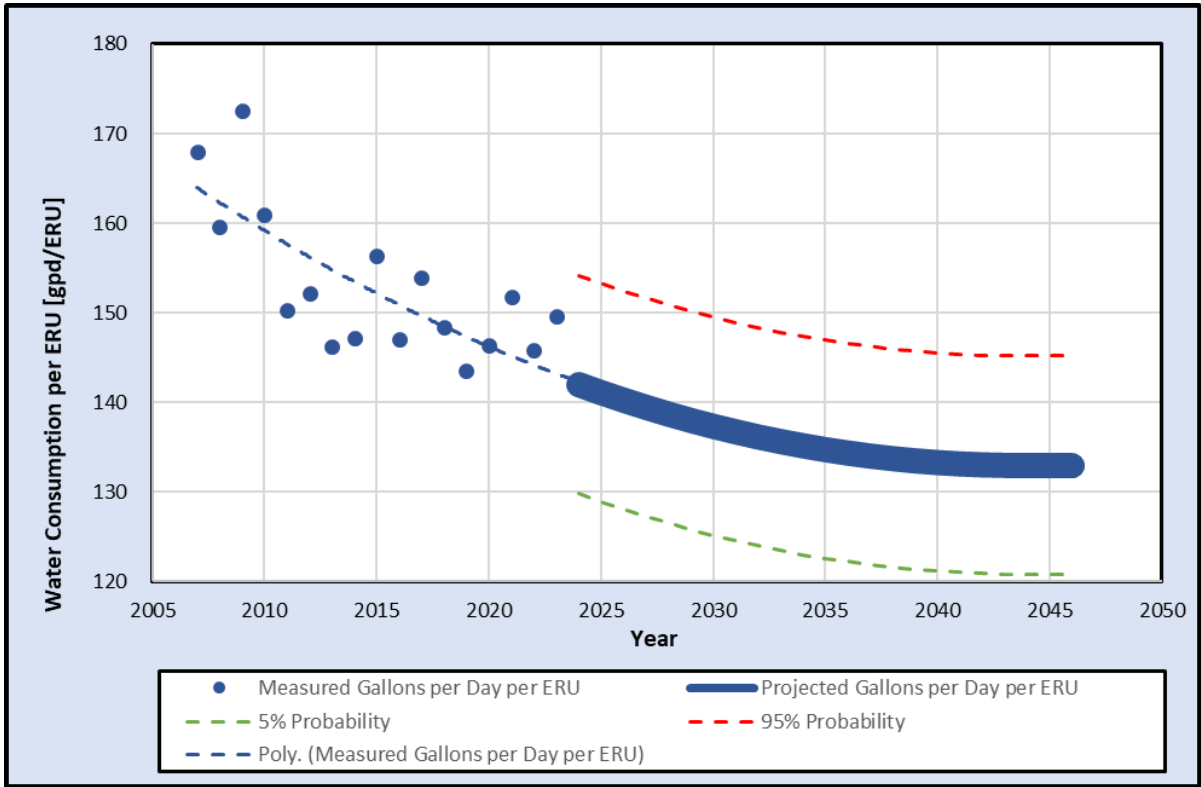
The first goal is an average savings of 1 MG per year for the 6-year WUE Program. These savings are difficult to measure since total annual consumption varies considerably depending on weather and rainfall patterns.



Regarding the second goal, the PUD typically has a distribution system leakage of less than 10% for a three-year running average.

A better measure of WUE is to evaluate water use per ERU. **Figure 4-1** illustrates water use per ERU since 2007 and the current WUE goal of 138 gpd/ERU by 2029 and 136 gpd/ERU by 2034.

**Figure 4-1: Historical and Projected Water Use Efficiency Trend**



Based on this projection, estimated water savings are presented in **Table 4-1** for the next 22 years. The demand forecast without water use efficiency assumes that water demand per ERU remains constant at 146 gpd/ERU.

**Table 4-1: Demand Forecast With and Without Projected WEU Savings**

Year	Average Day Demand [ADD]		Maximum Day Demand [MDD]	
	No WUE	With WUE	No WUE	With WUE
2025	2,666 MG	2,583 MG	16.43 MGD	15.92 MGD
2026	2,684 MG	2,585 MG	16.57 MGD	15.96 MGD
2027	2,701 MG	2,588 MG	16.71 MGD	16.00 MGD
2028	2,719 MG	2,591 MG	16.84 MGD	16.04 MGD
2029	2,737 MG	2,594 MG	16.97 MGD	16.09 MGD
2030	2,755 MG	2,599 MG	17.10 MGD	16.13 MGD
2031	2,772 MG	2,604 MG	17.22 MGD	16.18 MGD
2032	2,789 MG	2,609 MG	17.34 MGD	16.22 MGD
2033	2,807 MG	2,615 MG	17.46 MGD	16.27 MGD
2034	2,824 MG	2,622 MG	17.57 MGD	16.31 MGD
2046	3,019 MG	2,758 MG	18.52 MGD	16.92 MGD

#### 4.4.2 Water Rate Structure

Skagit PUD utilizes an increasing block rate structure where water unit costs increase as consumption rises. An increasing block rate structure is a pricing model water utilities use to encourage conservation. As customers consume more water and move into higher blocks, the price per unit increases. Essentially, the more water customers use, the higher their rate per unit becomes.

By charging higher rates for excessive water use, an inverted tier structure encourages customers to be mindful of their consumption. People have become more conscious of wasteful practices and seek ways to reduce water usage.

Inverted rates promote fairness. Basic water needs are covered at a lower rate, ensuring affordability for all. Those who use water sparingly pay less, while heavy users pay a premium for their higher consumption.

Reduced water consumption positively impacts the environment. It helps conserve natural resources, protects ecosystems, minimizes energy-intensive water treatment processes, and delays the replacement of capacity-limited facilities.

While our water rate structure aims for fairness, some argue it disproportionately affects large, low-income households. If essential water needs fall into higher-priced blocks, vulnerable populations may struggle to afford their bills.

Although the goal is conservation, some customers might respond by reducing essential water use (e.g., hygiene) to avoid higher rates. Balancing conservation with maintaining public health is crucial.

In summary, an increasing block rate structure plays a vital role in promoting water conservation, but it requires thoughtful implementation to address equity concerns and maintain financial stability for utilities.



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

---

June 25, 2024

**MEMORANDUM**

**TO:** Board of Commissioners  
**FROM:** George Sidhu, P.E.  
**SUBJECT:** Excessive Use Hardship Grant

**Requested Action:**  
For discussion only.

**Background:**  
The issue of excessive use hardship grants and leak adjustments have been discussed in recent months, and the item is brought back to the agenda again to discuss the comparison of recent examples to determine if any additional ideas are worth exploring.

**Fiscal Impact:**  
None at this time.

Enclosures:



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

June 25, 2024

MEMORANDUM

**TO:** Board of Commissioners

**FROM:** George Sidhu, P.E.

**SUBJECT:** Letter of Understanding between Skagit PUD and Swinomish Tribe for 2024 Seasonal Water Rights Transfers

**Requested Action:**

Authorize the general manager to sign the letter of understanding between Skagit PUD and the Swinomish Tribe for the 2024 Seasonal Water Rights Transfer to local irrigators.

**Background:**

The temporary seasonal water rights transfers to Skagit Valley Farm and local Districts 15 and 22 have been approved by the Department of Ecology and are in place for the 2024 irrigation season. One significant change to the transfers this year from previous drought-related transfers is that there are no restrictions on when the irrigators can use the water rights based on tidal conditions. This was achieved by having multiple meetings with the Swinomish Tribe and discussing operational scenarios for the irrigator's needs and the PUD's needs, with the ultimate goal of not creating an additional impact on the flows of the Skagit River. We performed an analysis of our operating scenarios over a number of years to determine how we could best achieve the goal of serving our customers during our summer high-demand season, but also not create additional impact to the Skagit River during the water rights transfers. We determined that we would be able to limit our pumping from the SRD to one pump when the transfers are taking place, and this would not have a significant impact on our reservoir level or our level of service.

In order to facilitate the transfers, the PUD evaluated operating conditions at Judy Reservoir and the Skagit River Diversion (SRD) to determine pumping scenarios for the summer months based on the reservoir level. We have been operating anywhere from two to four pumps at the SRD during May and June to fill the reservoir before the water rights transfers took place and prior to our summer high-demand period. This additional volume in the reservoir provides the water we need for the summer even if we didn't utilize any pumps at the SRD. However, the plan is to continue to operate one pump at the SRD to keep the reservoir from dropping too quickly.

The attached letter of understanding serves to document our operating conditions at the SRD for 2024 to facilitate lifting the pumping restrictions due to tidal conditions. It will be in effect for 2024 only since we have not allowed seasonal transfer in the past, and a new agreement will need to be executed for 2025.

**Fiscal Impact:**

None at this time.

Enclosures: 1. [PUD Swinomish LOU](#)

## Letter of Understanding between Skagit Public Utility District and the Swinomish Indian Tribal Community for 2024 Seasonal Water Right Transfers

Skagit Public Utility District (Skagit PUD or PUD) continues to maintain a longstanding relationship with the Swinomish Indian Tribal Community (Swinomish or Tribe) (collectively, the Parties) that is based on trust, mutual understanding, and a shared responsibility and commitment to steward natural resources, and especially instream flow levels and groundwater supply, in the Skagit River basin for the benefit of fish and other wildlife species. This Letter of Understanding (LOU) between the Parties documents how the PUD intends to proceed with temporary, seasonal water rights transfers from the PUD to eligible local customers in a manner that maintains compliance with the Parties' 1996 Memorandum of Agreement (MOA) and state water law and regulations.

Skagit PUD is the largest water utility in Skagit County, serving approximately 85,000 customers. The PUD's largest water system, the Judy Reservoir system, currently obtains water from five different surface water sources: the Skagit River, Gilligan Creek, Mundt Creek, Salmon Creek, and Turner Creek. Water from the four creeks flows by gravity into Judy Reservoir, where it is stored until treated by a water treatment plant and delivered to PUD's customers. The creeks supply Judy Reservoir with water from direct rainfall and snowmelt, usually during the fall, winter, and spring months. Water cannot be diverted from the four creeks unless the flow rate exceeds the minimum instream flow levels established by rule (IFR) in 2001. *See* WAC 173-503-040. As a result, gravity water from the four creeks is often unavailable during the spring, summer, and fall seasons if there isn't adequate rainfall.

Water from the Skagit River is pumped into Judy Reservoir from the Skagit River Diversion (SRD), a large pump station located on the banks of the Skagit River near Sedro-Woolley. The SRD contains five 500-horsepower pumps capable of pumping Skagit PUD's full instantaneous water right. As a result of the significant electrical demand from the pumps, the energy costs are high, and the SRD generally operates when sufficient water is not available to be diverted from any of the four creeks, which usually occurs in the spring, summer, and fall. The Skagit River also has a minimum instream flow level set by rule. *See* WAC 173-503-040. However, some of the PUD's water rights predate the adoption of minimum instream flow levels established by rule and are not subject to the minimum instream flow levels.

Skagit PUD's Water System Plan states:

*The PUD has implemented water rights changes prescribed and authorized in the 1996 MOA pertaining to its Gilligan Creek, Mundt Creek, Skagit River, Salmon Creek, and Turner Creek surface water sources. These specific changes enable the PUD to divert authorized instantaneous and annual quantities from either its Cultus Mountain sources or the Skagit River Diversion pump station, subject to applicable instream flows being met at either point(s) of diversion, and a 1996 MOA Qi limit of 55.39 cfs. The District is further authorized under its senior Cultus Mountain and Skagit River water rights and the 1996 MOA to divert a total of 40.10 cfs from the Skagit River when Skagit River instream flows are not being met.*

The seasonal transfers discussed in this LOU comport with and do not alter the provisions of the 1996 MOA. In the event of a perceived conflict between this LOU and the 1996 MOA, the terms in the 1996 MOA shall govern. Also, according to the MOA, none of the agreed-upon operation scenarios at the Skagit River Diversion are precedent-setting for the Skagit PUD as it relates to water appropriation.

In past years, Skagit PUD has diverted its maximum Qi of 55.39 cfs, usually in the spring, by using multiple pumps at the SRD while also diverting water from the four creeks. However, past experience has also demonstrated that Skagit PUD can operate within its maximum uninterruptible diversion limit of 40.10 cfs.

Since 2015, Skagit County has experienced four state-declared droughts due to lack of rainfall, occurring in 2015, 2019, 2021, and 2023. In each of those years, Skagit PUD completed a temporary transfer of water rights to drainage and irrigation districts on Fir Island and west of Mount Vernon to provide an uninterrupted water supply because the districts' interruptible water rights from the Skagit River are subject to Skagit River minimum instream flow levels. Using the emergency drought provisions provided by the Department of Ecology, the temporary transfers allowed the irrigators to pump water directly from the Skagit River using Skagit PUD water rights. In each of those temporary transfer agreements, there were limitations on the amount of water the irrigators could pump to ensure that Skagit PUD stayed within its maximum uninterrupted diversion limit of 40.10 cfs, and limitations on when pumping could occur relative to the tidal cycle. In 2015, 2019, 2021, and 2023, when emergency drought transfers were approved for local irrigators, the Skagit PUD also operated one or two pumps at the SRD diverting approximately 22-23 cfs while minimum instream flow levels were not met, meaning that the PUD pumps were operating at the same time the irrigators were diverting.

Skagit PUD has applied to the Department of Ecology for temporary, seasonal water rights transfers for local irrigators, farmers, and other customers even if there is not a state-declared drought. These seasonal agreements would allow customers with interruptible water rights on the Skagit River to use the PUD uninterrupted senior water rights when their water rights are interrupted because the senior minimum instream flow levels are not met. Because the PUD may be diverting water simultaneously, the temporary, seasonal water right transfers will be limited to ensure that Skagit PUD will remain within its maximum uninterrupted diversion limit of 40.10 cfs. The Skagit PUD intends to modify its operations at its existing diversion facilities while providing the temporary, seasonal water rights transfers to eligible participants so that the impact on Skagit River flow levels is not increased.

For the duration of the 2024 seasonal transfer agreements with the local irrigators, the Tribe and Skagit PUD agree that the PUD will operate the SRD under the following conditions:

1. As a trial for 2024 only, Skagit PUD will voluntarily burden its operational flexibility and resilience by limiting pumping from the SRD to only one pump (approximately 11-12 cfs) when the seasonal transfer is in place, Skagit River flows are below the IFR, and the recipients of the transfer are pumping surface waters through authorization provided by the Skagit PUD transfer.
2. The temporary water rights will be made available to eligible parties on a 24-hour per day basis without pumping restrictions based on tidal levels.
3. Skagit PUD will require any person or entity using the temporary, seasonal water right transfer to install a water meter and telemetry equipment consistent with Skagit PUD technology at each diversion location. The metering information will be available to the Swinomish Tribe via an online portal.
4. If the transfer recipient knowingly exceeds the maximum allowed pumping limit provided in their agreement with Skagit PUD, the agreement will terminate, an investigation will occur, and enforcement action may be taken, which may include monetary fines.
5. When the Skagit River flows are below the IFR, and the recipients of the transfer are not pumping surface waters using Skagit PUD water rights, Skagit PUD preserves the ability to pump up to 40.10 cfs as allowed by the 1996 MOA.

The Tribe and Skagit PUD also agree that the Tribe will partner with Skagit PUD, the Department of Ecology, and the local irrigators to facilitate the seasonal water rights transfer by:

1. Not objecting to the seasonal water rights transfers that Ecology is processing from Skagit PUD to the local irrigators.
2. Agreeing that there will not be restrictions on the time of day or tidal conditions during which the irrigators can divert the transferred water for their use.

This Letter of Understanding is specific to the 2024 irrigation season. The Parties anticipate additional coordination between them in an attempt to develop a longer-term LOU that will incorporate more specific operating conditions for future seasonal water rights transfers.

Skagit Public Utility District

\_\_\_\_\_  
Date  
George Sidhu, P.E., General Manager

Swinomish Indian Tribal Community

\_\_\_\_\_  
Date  
Chairman

DRAFT



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

June 25, 2024

MEMORANDUM

**TO:** Board of Commissioners  
**FROM:** George Sidhu, P.E.  
**SUBJECT:** Permanent Yard Maintenance Technician

**Requested Action:**

Create a permanent position for Yard Maintenance Technician in the Operations Department.

**Background:**

Nearly every summer, the Operations Department hired a temporary part-time yard maintenance technician for the summer with the primary objective of providing vegetation management at reservoir, pump station and PRV sites, along with other manual labor duties. We would usually get a new employee every year who needed to be trained on the location of the sites and the duties involved. This employee would often be a student who would need to go back to school in the fall, so their schedule would not always align with our needs. Often, we needed our own staff from the Maintenance Department to complete the work at the beginning or end of the growing seasons. Our maintenance staff are skilled in their positions and it is not a good use of their time or the PUD's resources to have them mow grass and manage weeds.

In 2022, a temporary full-time position was created for a yard maintenance technician to assess whether we could hire someone full-time and year-round to complete many of the manual labor tasks that we have throughout our system. There are many items that we need done in the fall and winter months that we either don't get done or have our skilled labor complete. Over the past two years, we have found that the position has been very valuable for our Operations Department. We have been able to complete all of our vegetation management that is needed, but we are also able to complete maintenance projects at the water treatment plant, in the Meter Department, and at our main administration building.

This position is already in the 2024 Budget as a temporary full-time position. The attached memo justifies the need for the position, and the request is to make this a permanent position within the Operations Department.

**Fiscal Impact:**

No fiscal impact for 2024. It will need to be accounted for as a permanent position in 2025 and going forward.

Enclosures: 1. [Yard Maintenance Tech Memo](#)





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

---

June 20, 2024

**MEMORANDUM**

**TO:** George Sidhu, P.E., General Manager  
**FROM:** Ryan Anderson, Distribution Superintendent  
**SUBJECT:** Yard Maintenance Position

**Requested Action**

Approve the addition of a full-time, permanent yard maintenance position.

**Background**

After two years of assessing a temporary full-time Yard Maintenance Technician, the Operations Department has confirmed the need for a permanent full-time Yard Maintenance Technician. Over the past two years, we have evaluated the quantity of work, the priority and the scheduling of the work that was needed. What we determined was as follows:

- The primary work task included vegetation control at each of 30 reservoirs and 32 pump house locations. Between the months of April and November, this task required approximately 40 hours per week, and for the remainder of the year, it needed approximately 24 hours per week.
- There were ongoing tasks such as painting and cleaning at the water treatment plant that required a minimum of 8 hours per week. Between November and April when the vegetation control was less intensive, the work at the water treatment plant sometimes required 16-24 hours per week.
- Assistance was provided to the Meter Department to build and stock new rain barrels and assist with the meter maintenance program. These items may not be ongoing tasks for years to come, but there is a need for in the near future that we were able to fill.
- Clearing the smaller rights-of-way and easements was done when time allowed.

During the two-year assessment period, this position was under the direct supervision of the Distribution Superintendent but received direction for daily tasks from the Distribution Foreman, WTP Foreman and Meter Foreman. There seemed to be some confusion from the previous Yard Maintenance Technician about who to take direction from, so efforts will be made to make the reporting structure clearer.

This position did not use any heavy equipment or need assistance from other employees to complete their assigned duties, and we will try to maintain this level of experience and autonomy.

For the permanent full-time Yard Maintenance Technician duties, the job description will be mostly the same as during the assessment period. However, we learned more about the time required for certain tasks, and below are the work tasks separated by seasons:

**Summer & Fall maintenance**

<b>Work Task</b>	<b>Frequency</b>	<b>Hrs per Visit</b>	<b>Weekly Hours</b>
Tank Sites	2 days per week	8	16
PRV Vaults/Mowing	2 days per week	8	16
WTP (requested 2 days per week)	1 day per week	8	8
PUD Front Yard	2 times per month	4	2
Rights-of-way	1 day per week	8	8
Division & 9 <sup>th</sup> & Highland Landscaping	1 day per week	4	8
<b>Total potential hours per week</b>			<b>58</b>

**Spring/Winter maintenance**

<b>Work Task</b>	<b>Frequency</b>	<b>Hrs per Visit</b>	<b>Weekly Hours</b>
Tank Sites	1 day per week	8	8
Pump Houses	2 days per week	8	16
WTP (requested 2 days per week)	1 day per week	8	8
Meter Box Maintenance	2 days per week	8	16
Pressure Washing	1 day per week	8	8
Rain barrels	1 day per month	4	2
<b>Total potential hours per week</b>			<b>58</b>

As shown in the above tables, there are more than enough work tasks to keep the Yard Maintenance Technician busy full-time and year-round.

In the past, we made seasonal hires for this position, and that person would not start work until summer break beginning in June and would typically have to quit work to resume school by the end of August. Previous hires would require one of the Distribution operators at least eight hours per day for a month to escort them to each site and explain the expectations. This training

would take time away from a four-person distribution crew during peak project season but it would be required each time we changed a seasonal worker.

Having a full-time Yard Maintenance Technician would free up the time required for training and allow the distribution operators to focus on their jobs.

Since this position is currently vacant, the work tasks and responsibilities of this position are being filled by other represented staff at a much higher pay scale. However, having someone else fill this role temporarily is taking them away from performing other, more skilled, tasks that they are better suited for. Filling the Yard Maintenance Technician should be a priority based on the needs of the PUD and the Operations Department and on the assessment that we have performed over the past two years.

Currently this position is classified as the Yard Maintenance Technician position in the union wage scale Addendum A. This position would start at step 1 of 7, which is \$28.07 per hour. The job description has been recently updated to clarify the PUD's expectations.

I recommend we hire a permanent full-time Yard Maintenance Technician immediately.

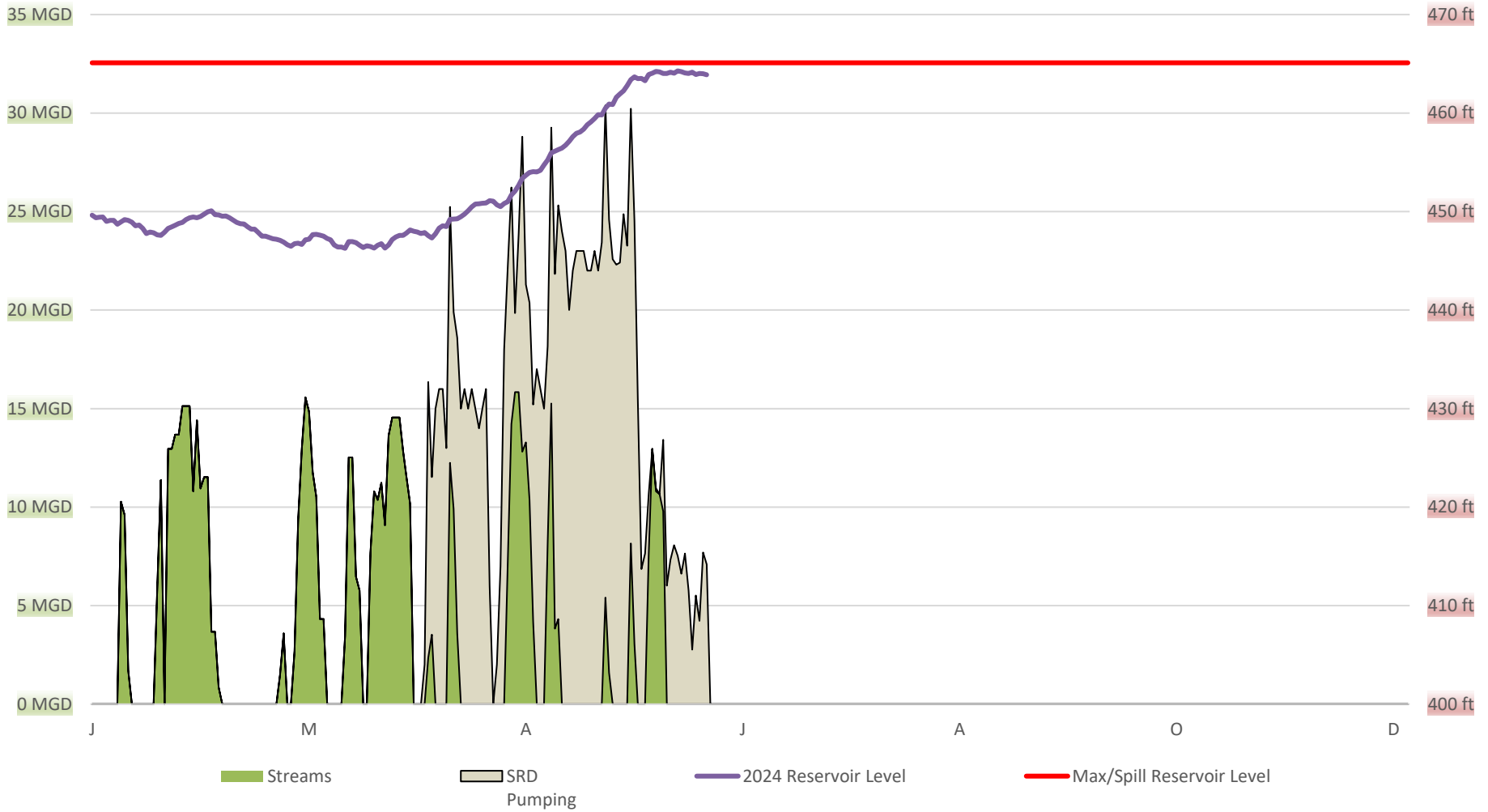
**Fiscal Impact**

The assessment period for this position included a salary through the fall of this year, and the position has been vacant for a couple of months. Adding a permanent, full-time position will not have a budgetary impact for the remainder of this year but will be included in budget requests for 2025 and beyond.

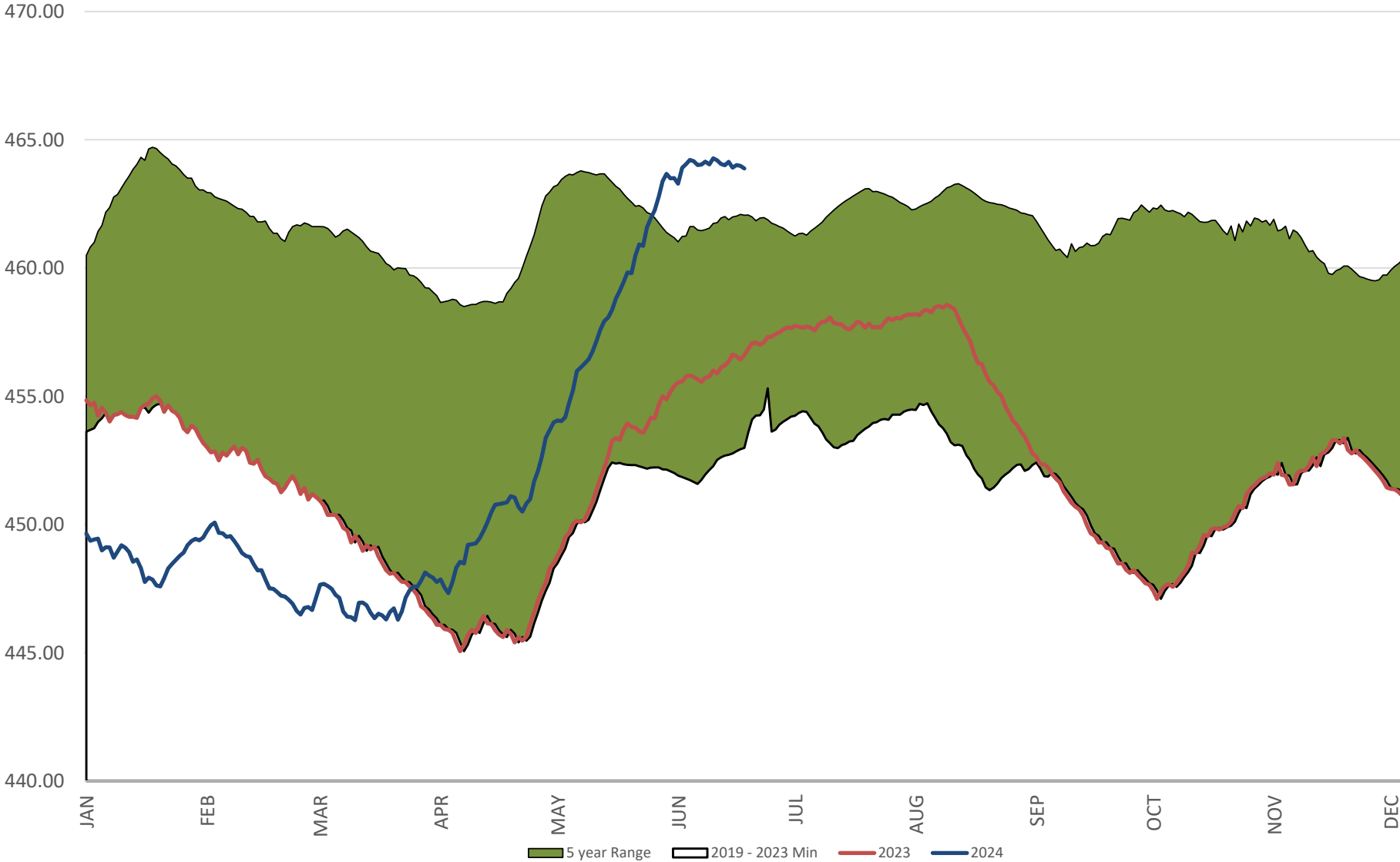
kmw

## 2024 Judy Reservoir Inflows & Elevation

June 12 Elevation:	464.20 (ft)
June 19 Elevation:	463.88 (ft)
Change in Elevation:	<u>-0.32 (- 3.8 Inches)</u>
Spillway Elevation:	465.10
Stream Inflow YTD:	704.90 MG
Skagit River YTD:	<u>1062.53 MG</u>



### 5-YEAR JUDY RESERVOIR ELEVATIONS



[https://www.goskagit.com/news/local\\_news/skagit-public-utility-district-team-takes-third-in-competition/article\\_43a8afea-2a72-11ef-a9f6-67ad2d91e126.html](https://www.goskagit.com/news/local_news/skagit-public-utility-district-team-takes-third-in-competition/article_43a8afea-2a72-11ef-a9f6-67ad2d91e126.html)

## Skagit Public Utility District team takes third in competition

VINCE RICHARDSON Skagit Valley Herald  
Jun 15, 2024



From left, Skagit Public Utility District Water Treatment Plant operators Mark Edwards and Riley Smith, and meter technician Matt Walker at the TopOps competition in Anaheim, California, where they took third place out of 16 teams.

Kevin Tate photo



Each June, teams of water industry professionals from the U.S. and Canada gather to participate in a question-and-answer competition called TopOps.

Team Chloramine Machine, which was comprised of Skagit PUD Water Treatment Plant operators Mark Edwards and Riley Smith along with meter technician Matt Walker, finished third overall in a field of 16 teams.

"The team was formed because the employees showed an interest in competing and volunteered to do it," Skagit PUD Community Relations Manager Kevin Tate said. "The TopOps competition requires a big commitment to studying and preparation. The group was totally invested, and it showed in the results."

Last year, Skagit PUD's TopOps team placed fifth out of 18 teams.

Walker has worked for the Skagit PUD for about 12 years, while Edwards and Smith have each been employees for about six years.

"Smith is a returning team member," Tate said. "Walker and Edwards are new to the TopOps team this year."

The team traveled to Anaheim, California, and competed against other top water treatment plant operators at the American Water Works Association Annual Conference.

The team won a regional competition to qualify for the TopOps National Championships.

"In May, our TopOps team represented the PUD at the Pacific Northwest Section, American Water Works Association Section Conference in Spokane," Engineering Manager Mark Handzlik said in a release. "Our TopOps team won two of three rounds and advanced to compete nationally."

TopOps is a tournament that challenges contestants' technical knowledge and problem-solving abilities with complex math and operational questions. Teams have 25 seconds to respond to each question. Points are awarded for correct answers and deducted for incorrect answers. Points are neither added or subtracted for unanswered questions.

The competition's questions are in the following subject areas: safety, water treatment processes, laboratory, maintenance, distribution and basic science.



A panel of judges has the final say on whether an answer is correct.

---

Vince Richardson can be reached at 360-416-2181, [vrichardson@skagitpublishing.com](mailto:vrichardson@skagitpublishing.com)

---

Vince Richardson

Newsroom

