

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

AGENDA
AUGUST 27, 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

PLEDGE OF ALLEGIANCE

CONSENT AGENDA

1. Approval of Agenda 8/27/24
2. Approval of Minutes 7/23/24 Regular Meeting
3. Approval of Minutes 8/14/24 Special Meeting
4. Ratification of Vouchers 7/30/24, 8/6/24, 8/13/24, 8/20/24
5. Voucher Approval 8/27/24
6. [Judy Raw Water Pump Station Project Acceptance](#)
7. [West Mount Vernon Pipeline Replacement Project Acceptance](#)

WASHINGTON PUD ASSOCIATION VISIT

AUDIENCE COMMENTS

OLD BUSINESS

8. General Manager's Report
9. Operations Department Update

NEW BUSINESS

10. [Recommendation to Award - North Burlington Pipeline Replacement Project - *Action*](#)
11. [Resolution 2306-24, Declaring an Emergency Related to Repeated Pipe Failures on East Blackburn Road - *Action*](#)

INFORMATION

12. Judy Reservoir Data Report
13. Recent News Article

COMMISSIONER COMMENTS

EXECUTIVE SESSION

- *To consider the minimum price at which real estate will be offered - Per RCW 42.30.110(1)(c):
Approx. 30-minute duration.*

ADJOURNMENT

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

July 23, 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 Andrew Miller, vice president; and Corrin Hamburg, secretary, were in attendance.

In attendance were George Sidhu, Shannon Patiño, Nick Semrau, Kevin Tate, Kathy White, Pete Gilbert, Brian Henshaw, Alistair Boudreaux, Mark Handzlik, Mark Semrau, Mike Fox, Jay Sedivy, Bill Trueman and Sara Young.

Participating remotely: Courtney Shilling

Commissioner Miller led the Pledge of Allegiance.

CONSENT AGENDA

Commissioner Miller stated that Commissioner Lindquist was absent for the meeting, and Commissioner Hamburg moved to approve the Consent Agenda for July 23, 2024, as presented.

1. Approval of Agenda 7/23/24
2. Approval of Minutes 7/9/24 Regular Meeting
3. Ratification of Voucher 7/16/2024 No. 3143 (\$1,186,343.37)
Accounts Payable Voucher No. 29600-29648 (\$862,262.52)
Electronic Funds Transfer (\$95,375.60)
Payroll Electronic Funds Transfers (\$228,705.25)
4. Voucher Approval 7/23/24 No. 3144 (\$2,239,304.03)
Accounts Payable Voucher No. 29649-29694 (\$327,451.50)
Electronic Funds Transfer (\$1,911,852.53)
5. Markwood Phase 2 Project Acceptance

The motion passed unanimously.

SKAGITNET UPDATE AND DISCUSSION

6. SkagitNet Update and Proposed System Operation Agreement with Astound
Port of Skagit Executive Director Young provided an update on the Broadband Equity, Access and Deployment (BEAD) process and the indefeasible right of use (IRU) agreements in the works, including a backbone IRU to grant Astound ownership of the fiber optic strands, except for four buffer tubes, within the backbone from the Skagit Airport Hut to Concrete, WA.

A brief discussion ensued. A joint PUD and Port Commission meeting will be scheduled to further discuss the IRU with Astound once additional details are clarified.

SECOND QUARTER FINANCIALS

Finance Manager Henshaw presented the second quarter financials and gave an overview of PUD funds of \$31.9 million, Local Government Investment Pool (LGIP) and 2-Year treasury rates, consumption comparison, revenue comparison, revenues of \$15 million, operating expenses of \$8.7 million, change in number of meters since January, capital contributions of \$1,343,000, cash flow summary, and capital year-to-date of \$13.6 million.

AUDIENCE COMMENTS

None.

OLD BUSINESS

7. Manager's Report: General Manager Sidhu provided an update on the following:
 - The PUD is receiving funding of \$300,000 from the 2024 capital state budget. An additional one million dollars has been added to the state budget to provide funding to the eight utilities identified as having Fish Passage-related culvert replacement projects, including Skagit PUD. How the funds will be divided between the eight utilities is to be determined.

- Managers and supervisors are working on completing annual performance evaluations. Annual performance evaluations determine salary merit increases that will be proposed in the 2025 budget.
 - Several open positions the PUD is hiring for, including water treatment plant operator, yard maintenance technician, water quality sampling technician, and customer service supervisor.
 - PUD staff will be attending the WPUDA Water Workshop scheduled for September 25-27 in Spokane, WA.
8. Engineering Department Update: Engineering Manager Handzlik gave a department update on capital projects under construction, Fish Passage projects, projects under design, WTP projects, miscellaneous projects, and the Service Line Inventory project.
 9. Draft Water System Plan – Discussion and Release Authorization
Capital Program Manager Semrau provided an overview of the water system plan’s purpose, the updated plan review process, and the staff roles and responsibilities and presented the request to prepare the draft plan for distribution to cities, Skagit County, and tribes for concurrency review and comment.

A brief discussion ensued.

Commissioner Hamburg moved to authorize the general manager to publish the SEPA Environmental Checklist and send the draft Water System Plan to the Department of Health, the Department of Ecology, and local planning agencies for consistency review.

The motion passed unanimously.

NEW BUSINESS

None.

INFORMATION

10. Judy Reservoir Data Report
11. Recent News Article

COMMISSIONER COMMENTS

Commissioner Hamburg asked a question related to the article included in the meeting agenda packet.

Commissioner Miller stated that he may be absent at the regular meeting on August 13 due to schedule conflicts.

ADJOURNMENT

Having no further business to come before the board, Commissioner Miller moved for adjournment. The motion passed, and the July 23, 2024, meeting adjourned at 5:36 p.m.

ATTEST

ABSENT
Joe Lindquist, President

Corrin Hamburg, Secretary

Andrew Miller, Vice President

MINUTES OF THE SPECIAL MEETING OF THE COMMISSION
PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY AND PORT OF SKAGIT

August 14, 2024

The meeting was held via Zoom.

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

George Sidhu, Brian Henshaw, Kevin Tate, Mark Handzlik, and Pete Gilbert were also in attendance via Zoom.

CALL TO ORDER

Commissioner Lindquist called the Skagit Public Utility District special meeting to order at 1:01 p.m.

EXECUTIVE SESSION

At 1:01 p.m., Commissioner Lindquist recessed the special meeting for an executive session to consider the minimum price at which real estate will be offered per RCW 42.30.110(1)(c) for approximately 30 minutes, reconvening at 1:31 p.m., and stated there would be no action taken.

At 1:31 p.m. Commissioner Lindquist extended the executive session for an additional 20 minutes, reconvening at 1:51 p.m.

The executive session ended at 1:51 p.m.

ADJOURNMENT

Having no further business to come before the board, Commissioner Lindquist moved for adjournment. The motion passed, and the August 14, 2024, special meeting was adjourned at 1:51 p.m.

Joe Lindquist, President

ATTEST:

Andrew Miller, Vice President

Corrin Hamburg, Secretary

As of July 30, 2024

No. 3145

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 \$573,998.78 this 30th day of July, 2024.

The total is comprised of the following:

Accounts Payable voucher No. from 29695 through 29737 in the amount of \$246,199.36, Electronic Funds Transfer in the amount of \$97,629.62. Payroll Electronic Funds Transfers and checks No. 044729 through 044812 in the amount of \$230,169.80.

Attest:



Manager


Auditor

President

Vice - President

Secretary

Date: 07/25/2024

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Voucher	Claimant	Amount
29695	A-1 SHREDDING INC	168.00
29696 - EDI	AFLAC	975.56
29697	ATCO COMMUNICATIONS SVCS, LLC	4,191.00
29698	WA ST DEPT OF TRANSPORTATION	264.56
29699	E&E LUMBER INC	31.92
29700 - EDI	ELECTRONIC FEDERAL TAX PAYMENT	85,428.55
29701 - EDI	EMPLOYEES WELFARE & RECREATION	309.00
29702 - EDI	EMPOWER RETIREMENT	815.00
29703	EUROFINS EATON ANALYTICAL LLC	726.00
29704	FOOD SERVICES INC	1,744.98
29705	GEOSYNTEC CONSULTANTS INC	14,721.90
29706	HISTORICAL RESEARCH ASSC INC	330.00
29707	HSI WORKPLACE COMPLIANCE	8,122.47
29708	ANYTIME LABOR SEATTLE LLC	1,410.46
29709	LINDE GAS & EQUIPMENT INC	61.21
29710	MATERIALS TESTING & CONSULTING	455.00
29711	MOUNT VERNON BUILDING CENTER	23.94
29712 - EDI	Mutual of Omaha	3,486.13
29713	HARRIS COMPUTER SYSTEMS	2,113.55
29714	NORTH COAST ELECTRIC COMPANY	17.33
29715	NORTHSTAR CHEMICAL INC	25,579.53
29716	AUTO VALUE	613.09
29717	ODP BUSINESS SOLUTIONS, LLC	467.01
29718	PUGET SOUND ENERGY	31,377.12
29719	RH2 ENGINEERING INC	3,674.03
29720	SKAGIT COUNTY DRAINAGE DIST 17	7,050.00
29721	SRV CONSTRUCTION INC.	47,142.62
29722	SUMMIT LAW GROUP PLLC	3,898.00

Voucher	Claimant	Amount
29723	TACOMA SCREW PRODUCTS INC	15.15
29724	TEAMSTER UNION LOCAL 231	3,996.92
29725	Thatcher Company Inc.	56,326.26
29726	UNITED WAY OF SKAGIT COUNTY	100.00
29727	VERIZON WIRELESS	4,243.31
29728	WA STATE DEPT OF EMPLOYMENT	99.66
29729	WA STATE DEPT OF LABOR &	175.00
29730 - EDI	WA STATE SUPPORT REGISTRY	571.40
29731 - EDI	WA STATE TREASURER	5,930.95
29732	ASTOUND BUSINESS SOLUTIONS LLC	370.35
29733	WESTERN CONFERENCE OF	21,459.33
29734	WOODS ACQUISITION CORP DBA	60.94
29735	WORK OUTFITTERS	212.67
29736	Wilson Engineering, LLC	4,956.05
29737 - EDI	ZIPLY FIBER	113.03
		343,828.98

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 \$1,139,236.04 this 6th day of August, 2024.

The total is comprised of the following:

Accounts Payable voucher No. from 29738 through 29781 in the amount of \$1,095,931.08, Electronic Funds Transfer in the amount of \$43,304.96. Payroll Electronic Funds Transfers and checks No. through in the amount of \$0.00.

Attest:



 Manager



 Auditor

 President

 Vice - President

 Secretary

Date: 08/02/2024

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Voucher	Claimant	Amount
29738	BADGER METER INC	1,978.22
29739	BLADE CHEVROLET	384.48
29740	BURLINGTON INVESTMENTS PROPERTIES II LLC	299.80
29741	CDW GOVERNMENT INC	18,131.14
29742	CINTAS	325.93
29743	COLACURCIO BROTHERS, INC	291,756.37
29744	Choice Grounds Care	3,044.27
29745	WA ST DEPT OF TRANSPORTATION	716.89
29746	DOUGLAS A STREETER	2,800.00
29747	DWAYNE LANE'S	194.31
29748	EARTHWORK SOLUTIONS LLC	244,007.60
29749 - EDI	EMPLOYMENT SECURITY DEPARTMENT	8,563.08
29750 - EDI	EMPLOYMENT SECURITY DEPARTMENT	9,969.10
29751	ERA A WATERS COMPANY	1,450.21
29752	EUROFINS EATON ANALYTICAL LLC	357.00
29753	GEOSYNTEC CONSULTANTS INC	9,508.28
29754	HD FOWLER COMPANY INC	19,890.56
29755	HECTOR MENDOZA	54.69
29756	JENNIFER STAITE	1,656.00
29757	JOSIE & ADAM BRADDOCK	163.99
29758	JTI COMMERCIAL SERVICES LLC	15,294.02
29759	KELLER SUPPLY COMPANY	174.20
29760	KIMBALL MIDWEST	641.30
29761	LAKESIDE INDUSTRIES INC	496.87
29762	LINDE GAS & EQUIPMENT INC	1,206.28
29763	AUTO VALUE	71.29

Voucher	Claimant	Amount
29764	ODP BUSINESS SOLUTIONS, LLC	225.05
29765	ORKIN LLC	388.95
29766	PACIFIC SECURITY	352.06
29767	PLATT ELECTRIC SUPPLY	414.63
29768	POMP'S TIRE SERVICE INC	34.60
29769	RESOURCE TECH, LLC	678.75
29770	RH2 ENGINEERING INC	10,397.39
29771	SANTANA TRUCKING & EXCAVATING	413,304.12
29772	SECURITY SOLUTIONS NORTHWEST	46,784.00
29773	SEDRO WOOLLEY AUTO PARTS INC	75.14
29774	TACOMA SCREW PRODUCTS INC	251.93
29775	TRANE US INC	1,365.44
29776	TRUEbenefits, LLC	5,000.00
29777 - EDI	WA STATE DEPT OF LABOR &	19,297.77
29778	WA STATE PATROL	22.00
29779	ASTOUND BUSINESS SOLUTIONS LLC	145.42
29780	WASTE MANAGEMENT OF SKAGIT	1,887.90
29781 - EDI	ZIPLY FIBER	5,475.01
		1,139,236.04

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 \$2,064,872.36 this 13th day of August, 2024.

The total is comprised of the following:

Accounts Payable voucher No. from 29782 through 29856 in the amount of \$526,210.03, Electronic Funds Transfer in the amount of \$1,300,142.75. Payroll Electronic Funds Transfers and checks No. 044813 through 044897 in the amount of \$238,519.58.

Attest:

Kevin Tate

 Manager


 Auditor

 President

 Vice - President

 Secretary

Date: 08/13/2024

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Voucher	Claimant	Amount
29782	1404 E COLLEGE WAY LLC	250.00
29783	AMAZON.COM SALES, INC.	3,086.40
29784 - EDI	AMERITAS LIFE INSURANCE CORP	15,994.30
29785 - EDI	BANNER BANK	640.90
29786	BEAVER LAKE QUARRY INC	279.51
29787	BERNADINA CAYATANO	76.45
29788	BOSTEC INC	449.32
29789	CASCADE NATURAL GAS	87.87
29790	CDW GOVERNMENT INC	63,479.23
29791	CHRISTINE LABRIE	87.44
29792	CINTAS CORPORATION #460	2,508.36
29793	CINTAS	105.83
29794	CITY OF MOUNT VERNON	15,662.57
29795 - EDI	CITY OF MOUNT VERNON	2,131.00
29796	CITY OF SEDRO WOOLLEY	36,637.63
29797	CNA SURETY	200.00
29798	CODY ANDERLINI	5,304.61
29799	COMCAST BUSINESS	121.82
29800 - EDI	COMER GC, INC.	1,280,760.95
29801	COPY & PRINT STORE	1,398.21
29802	CORE & MAIN LP	18,481.65
29803	SMOKEY POINT CONCRETE	790.62
29804	CRYSTAL SPRINGS	148.22
29805	WA ST DEPT OF TRANSPORTATION	2,375.71
29806	DWAYNE LANE'S	973.47
29807	E&E LUMBER INC	305.73

Voucher	Claimant	Amount
29808	E-N COMPUTERS, INC	5,548.15
29809	EARTHWORK SOLUTIONS	825.19
29810	EUROFINS EATON ANALYTICAL LLC	180.00
29811	FERGUSON ENTERPRISES LLC #3326	1,054.53
29812	FIRE ES	805.66
29813	FRONT DESK	550.00
29814	GEOSYNTEC CONSULTANTS INC	11,857.50
29815	HONEY BUCKET	150.60
29816	THE HOSE SHOP INC	258.10
29817	JP AUTOMOTIVE	15.75
29818	KAYE- SMITH ENTERPRISES INC	54.00
29819	KENT D BRUCE CO LLC	626.96
29820	LAKESIDE INDUSTRIES INC	2,214.42
29821	LOOMIS ARMORED US LLC	451.61
29822	MARTIN MARIETTA MATERIALS	824.61
29823	MILES SAND & GRAVEL	4,347.70
29824	N C MACHINERY CO	463.17
29825	HARRIS COMPUTER SYSTEMS	20,454.40
29826	NELSON-REISNER	13,160.70
29827	NORTH HILL RESOURCES	400.50
29828 - EDI	NORTHWEST ADMINISTRATORS	615.60
29829	AUTO VALUE	15.65
29830	NW TEL, LLC	16,565.09
29831	PAPE MACHINERY INC	4,050.78
29832	PLATT ELECTRIC SUPPLY	1,663.93
29833	POMP'S TIRE SERVICE INC	978.32
29834	PUGET SOUND ENERGY	9,492.01
29835	PURMS JOINT SELF INS FUND	242,169.89
29836	RACHEL MOORE	184.46
29837	RAILROAD MANAGEMENT COMPANY	379.14
29838	RETAIL LOCKBOX INC.	2,606.13
29839	RICOH USA INC	126.74
29840	RWC GROUP	121.29
29841	SAN JUAN CABLE	115.90
29842	SANDRA HAWKINSON	87.44
29843	SEDRO WOOLLEY AUTO PARTS INC	181.91
29844	SIMON HAM	91.78
29845	SKAGIT SOILS INC	277.20
29846	STOWE'S SHOES & CLOTHING	230.73
29848	THE DRIFTMIER ARCHITECTS P S	18,505.36
29849	THE SHERWIN WILLIAMS CO	122.95
29850	ULINE INC	611.58
29851	USABLUBOOK	1,726.29
29852	UTILITIES UNDERGROUND LOCATION	588.72
29853	WASHINGTON PUD ASSOCIATION	5,495.00
29854	ASTOUND BUSINESS SOLUTIONS LLC	2,276.32
29855	WOODS ACQUISITION CORP DBA	226.02
29856	T-MOBILE	265.20

Voucher	Claimant	Amount
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1,826,352.78



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

August 27, 2024

MEMORANDUM

TO: Board of Commissioners
FROM: Mark Handzlik PE, Engineering Manager
SUBJECT: Judy Raw Water Pump Station Project Acceptance

Requested Action:
Acceptance of the new Judy Raw Water Pump Station.

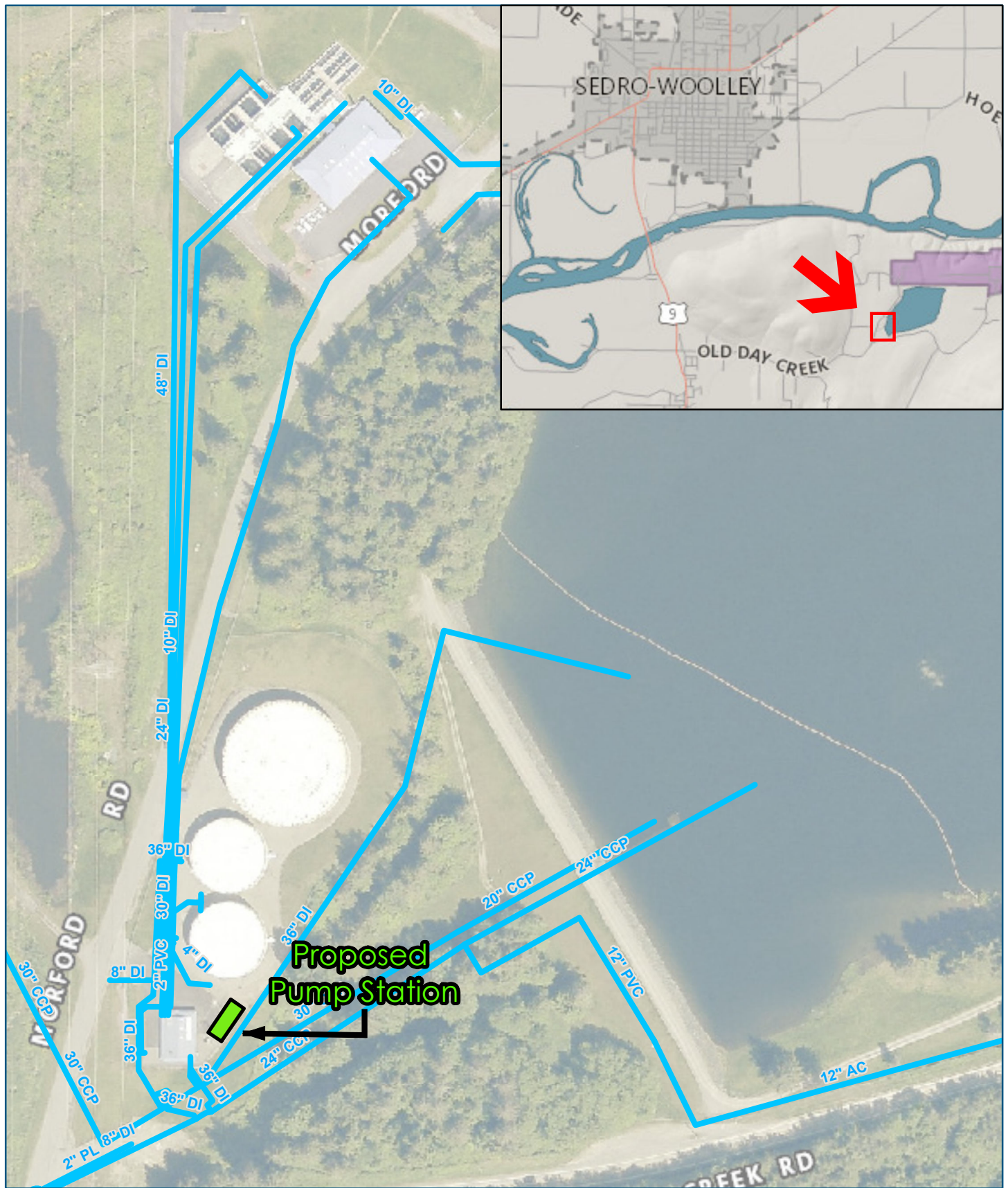
Background:
Name of Project: Raw Water Pump Station Replacement
Project Number: 3766
Location: 12061 Morford Road, Skagit County
Contractor: McClure and Sons

The new Raw Water Pump Station project was completed commission in the Spring of 2022. The Water Treatment Plant operators have been utilizing this new pumping facility since that time.

Within the one-year warranty period, a manufacturer's defect in the check valves became apparent. The manufacturer removed each check valve and made the necessary repairs on January 9, 2024. These check valves are now operating as expected.

Fiscal Impact:
None.

Enclosures: 1. [RWPS Vicinity Map](#)



Judy Treatment Plant Vicinity Map



0 50 100 200 Feet

NAD 1983 StatePlane Washington North FIPS 4601 Feet
 Author: zemp
 3/21/2019

Legend

- Existing Mains
- Awaiting Acceptance

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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SEC: TWP: RGE: C.O. 5040 P.N. 3766



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

August 27, 2024

MEMORANDUM

TO: Board of Commissioners
FROM: Mark C. Handzlik, P.E. Engineering Manager
SUBJECT: West Mount Vernon Pipeline Replacement Project Acceptance

Requested Action:
Accept the closeout of the West Mount Vernon Pipeline Replacement Project

Background:
Reference: Capital Project #4951
Location: Mount Vernon
Developer: Skagit PUD
Contractor: Colacurcio Brothers, 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. [Vicinity Map](#)



West Mount Vernon Pipeline Replacement Project

0 50 100 200 300 400 500 600 Feet

NAD 1983 StatePlane Washington North FIPS 4601 Feet
 Author: erbas-white
 12/28/2023

-  Proposed Main
-  Existing Main
-  Skagit County Parcels

Job Identity: 4951-3660

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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August 27, 2024

MEMORANDUM

TO: George Sidhu, P.E., General Manager
FROM: Mark C. Handzlik, P.E., Engineering Manager
SUBJECT: Recommendation to Award - North Burlington Pipeline Replacement Project

Requested Action:

Authorize the General Manager to enter into a contract with Faber Construction Corporation in the amount of \$1,887,287.72 for construction of the North Burlington Pipeline Replacement Project.

Background:

The North Burlington Pipeline Replacement Project is a scheduled pipeline replacement project that proposes to replace 6-inch and 4-inch AC distribution pipelines that have exceeded their useful life and are susceptible to leaks and breaks. The work under this request to award consists of water distribution pipes within the City of Burlington.

The replacement pipe will be an 8-inch Ductile Iron pipe. The larger diameter meets our current design standards and will maintain lower velocity in the pipe. An additional benefit is that the 8-inch Ductile Iron pipe will increase fire suppression flow to the area and assist in sustaining pressures during fire flow events.

The project was advertised to bid on August 9 and 16, 2024 and seven bid proposals were received on the closing date of August 23, 2024. Bids were opened at 10:01 a.m. in the PUD Aqua Room on that same day. The bid results are as follows:

North Burlington Pipeline Replacement Project

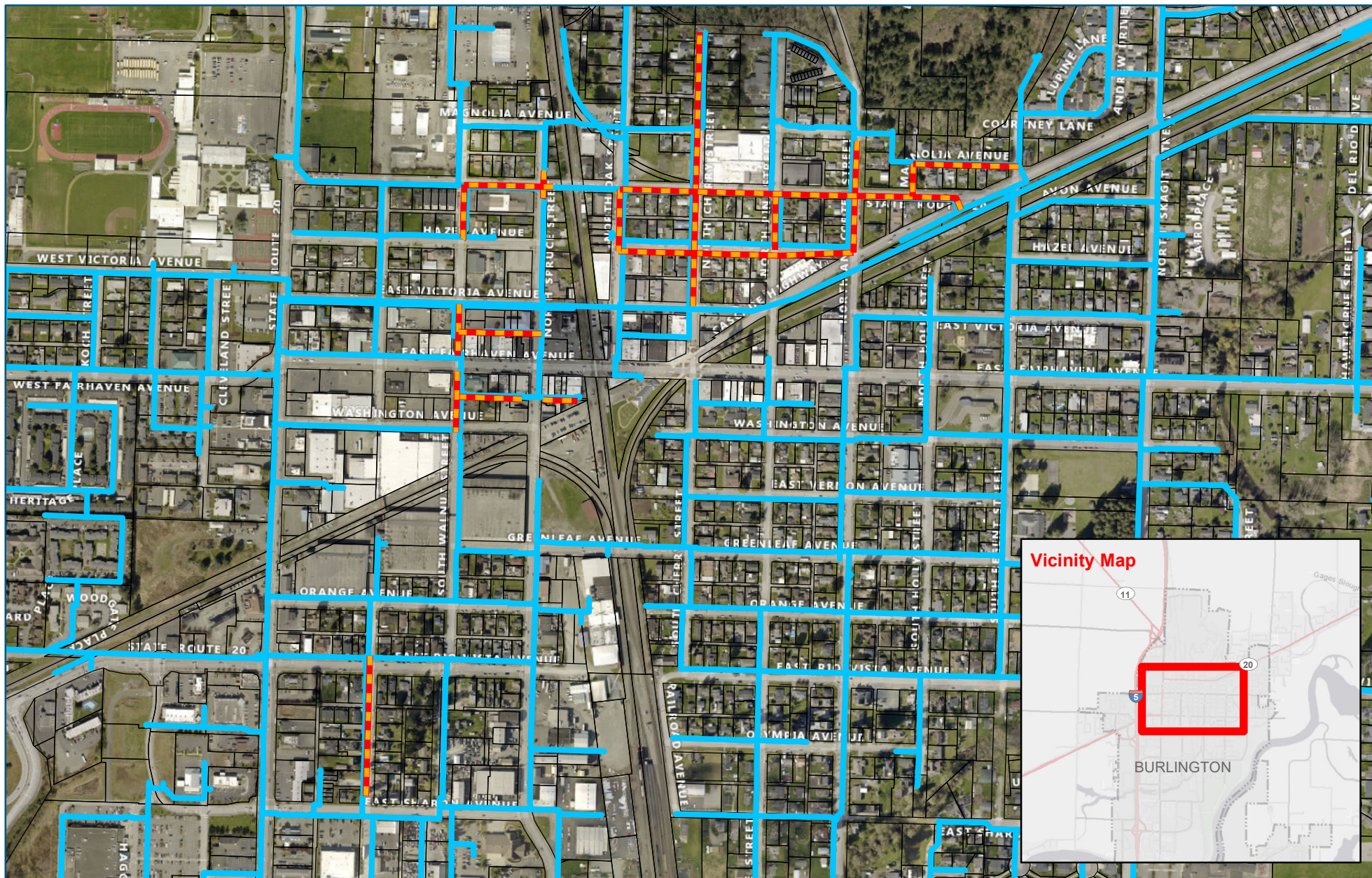
Table with 4 columns: Ranking, Company, Bid Amount*, Corrected Bid. Rows include Faber Construction, Premium Services Inc, SRV Construction, Earthwork Solutions, Interwest Construction, Trico, and Granite Construction.

The Engineer's Estimate was \$2,065,713.18. Faber Construction Corporation, was the apparent low bidder after the bid opening with a bid of \$1,887,287.72. 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 (MP20-6) North Burlington Pipeline Replacement in the 2024 Capital Budget is designated to fund the project. Total funding under this budget line item is \$2,400,000. The use of these funds for these projects is consistent with their intended purpose.

Enclosures: 1. [North Burlington Pipeline Replacement Vicinity](#)



NORTH BURLINGTON Pipeline Replacement Project



0 250 500 1,000 Feet

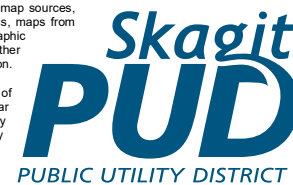
NAD 1983 StatePlane Washington North FIPS 4601 Feet
Author: carson
8/20/2024

Legend

- Existing Main
- Proposed Line
- Skagit County Parcels

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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Job Identity: CP4804



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

August 27, 2024

MEMORANDUM

TO: Board of Commissioners

FROM: George Sidhu, P.E.

SUBJECT: Resolution 2306-24, Declaring an Emergency Related to Repeated Pipe Failures on East Blackburn Road

Requested Action:

Approve Resolution 2306-24 to declare an emergency related to the repeated pipe failures on East Blackburn Road

Background:

There is a 2-inch diameter PVC waterline on East Blackburn Road in Mount Vernon that was originally installed in 1968. Some development has occurred in this general area over the years and a portion of this pipe has been replaced, but an approximately 700-foot section of this pipe still remains in service today. This waterline has experienced multiple breaks and flooding of a basement has occurred multiple times at 2833 East Blackburn Drive. The breaks are now happening more frequently (May 13, 2021, March 29, 2022, August 2, 2024 and August 24, 2024), and there is concern that there may be structural damage to the home.

This section of pipe is planned to be replaced when another nearby development occurs, but we are unsure as to the timing of that project. If the pipe continues to fail at the current rate and more flooding occurs at the home, insurance premiums could increase because of the value of the damages. It is in our best interest to replace this section of pipe as soon as possible to prevent further damage. We will endeavor to get reimbursed for the portion of the pipe that would have been included in the development project.

We are investigating the installation of a small-diameter bypass pipe to remove the failed section of pipe from service. Once this is done, we will use the existing topographic mapping of this street, along with a drawing of the proposed nearby development, to develop a design for a full pipe replacement.

Declaring an emergency for this project will allow us to act quickly and select a contractor and complete the pipe replacement before any further damage occurs. We recently opened bids on a pipe replacement project in Burlington and will contact the top bidders to solicit an estimate for the work. We are presently unsure of the value of the work, but have written the resolution to include authority for the General Manager's spending limit to be increased during this emergency from \$120,000 to \$1,000,000 without prior approval.

This matter shall be reviewed at each regular Board meeting until the emergency ceases.

Fiscal Impact:

Funds for this project will come from our capital budget for pipe replacement.

Enclosures: 1. [RES 2306-24](#)

RESOLUTION NO. 2306-24

A RESOLUTION OF THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY, WASHINGTON, DECLARING AN EMERGENCY RELATED TO THE REPEATED PIPE FAILURES ON EAST BLACKBURN ROAD IN MOUNT VERNON WA

WHEREAS, the PUD has a mission to provide our customers with high-quality water services at an affordable price; and

WHEREAS, one of the PUD's core values is quality, where we seek to exceed customer expectations by providing exceptional service; and,

WHEREAS, the PUD has a practice to replace waterlines within the distribution system when they become undersized, are at the end of their useful service life, or are part of a nearby land development project where infrastructure upgrades are necessary; and

WHEREAS, the PUD is aware of a 2-inch PVC pipeline from 1968 on East Blackburn Road that has a history of breaks causing flooding damage to nearby homes; and

WHEREAS, the breaks on this 2-inch pipeline are becoming more frequent, with recent breaks occurring on May 13, 2021, March 29, 2022, August 2, 2024, and August 24, 2024; and

WHEREAS, recent breaks are causing repeated flooding damage to a nearby home at 2833 East Blackburn Road, to the point where the owners have hired a structural engineer to assess possible foundation damage; and,

WHEREAS, the PUD coordinates all flooding damage claims through Enduris, but the repeated and potentially catastrophic damage from the recent breaks could have the possibility of increasing our insurance premiums; and,

WHEREAS, the PUD is aware of a nearby land development project that will need to replace a portion of this waterline as part of the project, but the timing of the said project is unknown; and,

WHEREAS, the PUD needs to utilize staff and contracted services to replace the 2-inch waterline as soon as practically possible with a new waterline to prevent any potential further damage to 2833 East Blackburn Road from another break; and,

NOW, THEREFORE, BE IT RESOLVED, that on the basis of the foregoing facts, the Board of Commissioners of Public Utility District No. 1 of Skagit County, Washington, declares an emergency caused by the repeated pipe failures on East Blackburn Road in Mount Vernon; and

BE IT FURTHER RESOLVED, the board authorizes the general manager to waive bidding requirements related to RCW 39.04.280 and exercise such emergency powers as may be lawful and necessary under applicable laws, regulations, ordinances, or the PUD's policies, including by way of example and not limitation: RCW 54.16.100 (PUD General Manager Powers), RCW 54.16.190 (General Resolutions), RCW 39.04.280(3) for emergency procurement, and Chapter 39.28 RCW (Emergency Public Works); and

BE IT FURTHER RESOLVED, the general manager is authorized during this emergency to exercise such lawful authority through the use and direction of PUD personnel, services, equipment and such additional acts as the general manager may find necessary in his sole discretion to properly and safely manage this emergency which may include but is not limited to: make necessary rules and regulations reasonably related to the emergency, obtain supplies, equipment, personal property, professional, procured or technical services, etc. (including selecting and awarding such contracts as necessary), such public works as defined by RCW 39.04.010, to waive competitive biddings requirements as necessary, to adjust work schedules for staff, to authorize overtime and/or extended leave for personnel, to determine and assign essential personnel to maintain the PUD's necessary functions, obtain emergency funding and permitting through federal, state and local agencies, and take such other lawful acts as may be necessary and reasonably related to the emergency situation declared

hereunder; and

BE IT FURTHER RESOLVED, the board authorizes an increase to the general manager's spending limit authority during this emergency from \$120,000 to \$1,000,000 without prior approval in order to make necessary purchases and to enter into contracts and incur obligations in order to combat the emergency. As soon as practicable, the general manager will advise the board of any obligations that have been entered into under the authority of this resolution; and

BE IT FURTHER RESOLVED, this resolution shall continue in full force and effect until terminated by law or until the board withdraws such authority; and shall be reviewed as a regular agenda item at the board's meetings until such time as this resolution is terminated; and

BE IT FURTHER RESOLVED, this resolution is not intended to establish a precedent for how similar emergency situations will be addressed in the future.

ADOPTED by the Commission of Public Utility District No. 1 of Skagit County, Washington, at an open public meeting held this 27th day of August 2024.

Joe Lindquist, President

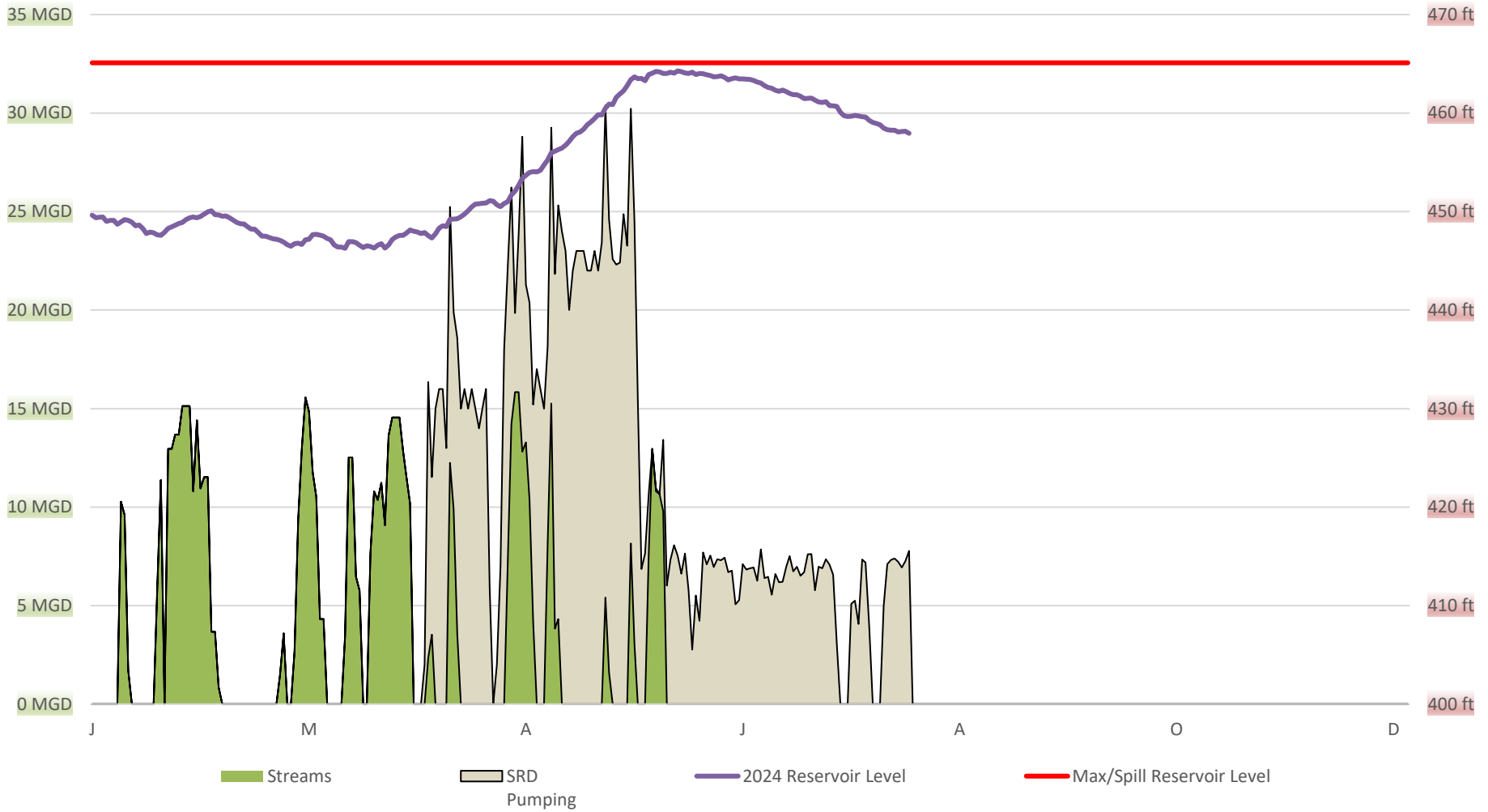
ATTEST

Andrew Miller, Vice President

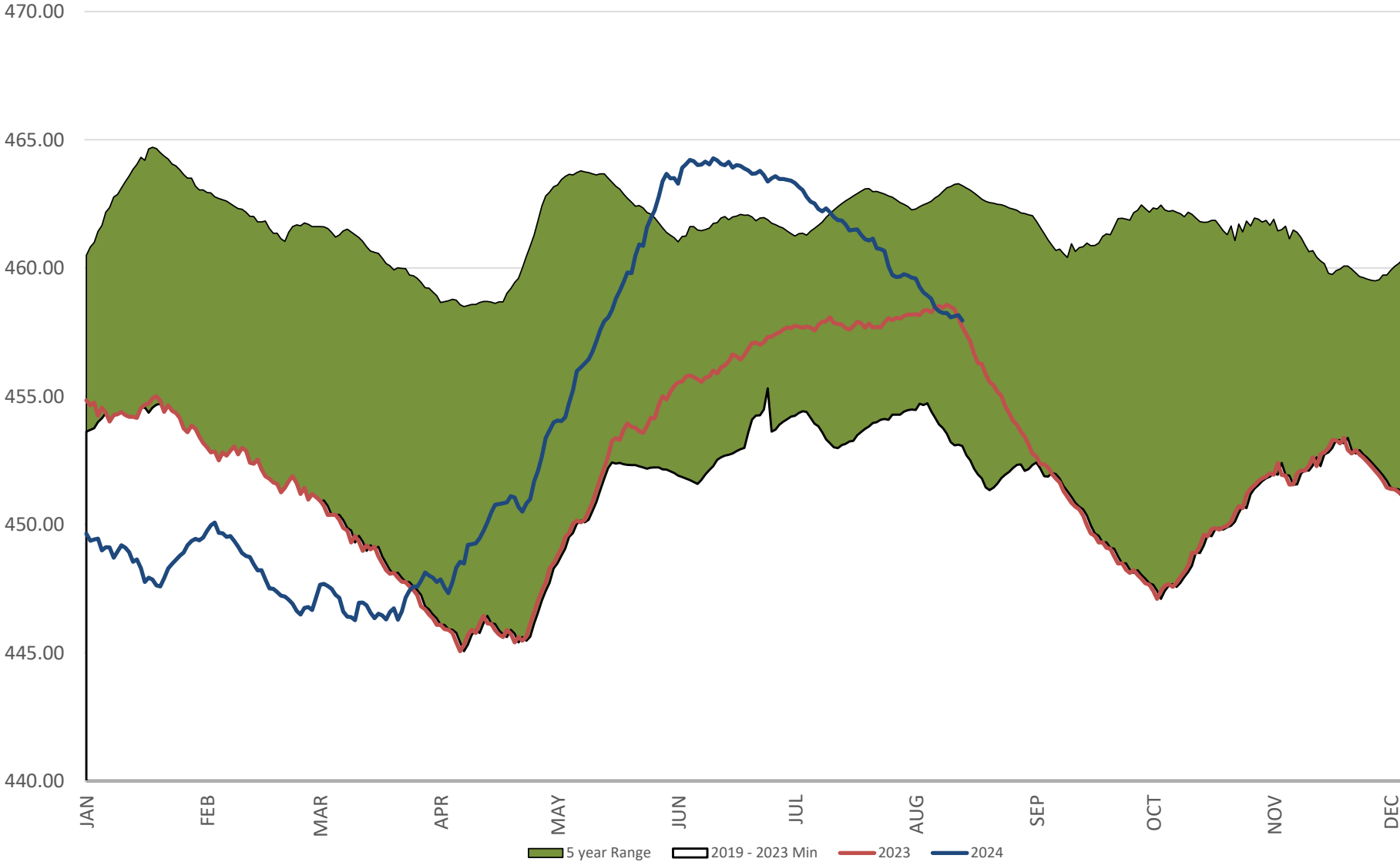
Corrin Hamburg, Secretary

2024 Judy Reservoir Inflows & Elevation

August 07 Elevation:	458.46 (ft)
August 14 Elevation:	457.95 (ft)
Change in Elevation:	<u>-0.51 (-6.1 Inches)</u>
Spillway Elevation:	465.10
Stream Inflow YTD:	704.90 MG
Skagit River YTD:	<u>1391.54 MG</u>



5-YEAR JUDY RESERVOIR ELEVATIONS





How a Rural Water Utility Generates Renewable Energy From Its Distribution System



Skagit Public Utility District installed a power-producing pressure reduction valve to curb electric demand and carbon footprint.

by [Gregg Semler](#)

InPipe Energy

08/09/2024



Nestled along the west coast between Seattle and the Canadian border, Skagit Public Utility District (PUD) operates the largest water system in Skagit County, Washington, providing nine million gallons of drinking water daily to its 85,000 customers. Like many rural water providers, Skagit PUD covers a broad service area, with over 600 miles of distribution pipeline serving county residents.

Skagit PUD consistently has to be creative with its funding. Minor changes to chemical, electrical and labor costs have an outsized impact on smaller districts' budgets and long-term planning. Climate change also creates challenges for the community's water sources, and the carbon

footprint needed to deliver drinking water throughout this large service area is not lost on the district's leadership.

Water-Energy Nexus

Skagit PUD captures raw water at Judy Reservoir, over 450 feet above its sea level users. After treatment, drinking water is sent downhill through massive transmission pipelines into the lower Skagit Valley. The downhill fall creates immense pressure, most of which is attenuated through typical pressure reducing valves (PRV) to avoid leaks and damage to pipes and homes.

As the district's population grows, demand on its treatment system to pump more water increases operational costs and is compounded by increasingly higher electricity rates. The resulting convergence of demand and cost leads energy to continuously claim more of the district's budget. With eco-conscious ratepayers nationwide asking water providers what they are doing to limit their carbon emissions footprint, the district felt itself moving in the wrong direction.

When the time came to replace a critical PRV at the district's East Division Street pump station, Skagit PUD took the opportunity to consider how a change in operations or infrastructure could turn the tide on its increasing electric bills and resulting greenhouse gas emissions. After researching water-energy products, they discovered a PRV that converts historically wasted pressure and heat into renewable energy.

Funding the Future

Investing in innovative solutions can be challenging for rural water providers, who are typically cautious of new technology and too underfunded to buy the latest. Skagit PUD wanted to push the envelope but needed help to make the change. The district applied to federal energy efficiency grants and local power authority initiatives. Piecing these funding sources together, the district invested in its future.

Micro-Hydro Power

Water is conveyed through miles and miles of pipelines under pressure. This pressure is typically burned off through control valves. Control valves use friction, like brakes in a car or crimping a hose, and burn off pressure. This pressure has previously been wasted. Now, this once-wasted pressure can generate renewable energy without sacrificing pressure management or accuracy. Skagit PUD was the first utility in Washington state to pilot a micro-hydroelectric-based control system that converts water flow and pressure into electricity. It integrates flange to flange to a new or existing water pipe. The system seamlessly complements traditional control valves, tapping into potential energy to create a more predictable way to generate carbon-free electricity.

Water inlet

The process begins with the inflow of water, which can come from various sources, such as a water distribution system, a wastewater treatment plant or an industrial process.

Micro-hydro turbine

A micro-hydro turbine is designed to rotate when pressurized water flows through it. As the water enters, the flow and the pressure of the water spin the impeller in the turbine.

Electricity generation

An alternating current (AC) generator is connected to the impeller's shaft, where the impeller's energy is transferred. The generator converts mechanical energy into electrical energy through the principles of electromagnetic induction. As the impeller rotates, it turns the generator, producing an electrical output that can be used or fed into the electrical grid.

Output & Storage

The generated electricity can be used immediately to power nearby equipment or can be stored in batteries. It can also be integrated into a larger grid for distribution.

Equipped with funding and the manufacturer's technical support, Skagit PUD added pipe hydroelectricity at its existing pressure reducing valve to offset the East Division Street pump station's energy demand.

Pressure Relief & Energy Recovery

In July 2021, Skagit PUD completed the East Division Street Energy Recovery Project at its booster station in Mount Vernon.

Over the past three years, the 22-kilowatt (kW) system has generated up to 104,000 kilowatt-hours (kWh) of electricity annually. The electricity produced offsets the grid power at the pump station, replacing the equivalent of 3.5 million pounds of carbon emissions every year and a projected 728 tons over its 30-year life span. The electricity savings will achieve a payback in under 10 years for the district.

The operational and budgetary benefits from the East Division Street Energy Recovery Project convinced the district to continue identifying high-pressure point opportunities in its distribution line. Leveraging the same funding sources,

Skagit PUD has kicked off another hydroelectric project at the high school in Mount Vernon. This site will use the same technology as the East Division Street project, but more than twice as much electricity is predicted—over 290,000 kWh of renewable energy from otherwise wasted pressure. The system will also be providing power for electric vehicle charging stations and may avert up to 9.3 million pounds of CO₂ emissions in its lifetime.

Leading the Way

Skagit PUD made small changes that have proven transformative to its energy and water conservation goals. The East Division Street Energy Recovery Project underscores the feasibility and impact that water providers, big and small, can have on both climate change and their communities' water rates.

As environmental and economic pressures squeeze small- and medium-sized water utilities, creatively using federal, state and local energy grants to fund water infrastructure improvements can put innovation within reach. Combining these funds with innovative technologies and the will to incite change, any organization that pumps water can follow Skagit PUD's example to combat climate change and the cost of pumping and treating water.

Gregg Semler is a veteran entrepreneurial leader with extensive experience in the clean energy and water sectors. Semler holds a bachelor's degree from Columbia University in New York and an MBA from the Tuck School of Business at Dartmouth College. Since 2000, he has served as CEO for a variety of companies, including PolyFuel and ClearEdge Power. In 2016, Semler founded InPipe Energy. For more information, visit inpipeenergy.com.

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