SNOHOMISH COUNTY PUBLIC UTILITY DISTRICT
BOARD OF COMMISSIONERS REGULAR MEETING
Everett Headquarters Building, 2320 California Street

May 4, 2021

The Board of Commissioners meeting will be held virtually via Zoom Meeting. Due to the COVID-19 pandemic and Proclamation 20-28.15 issued by Governor Jay Inslee, in-person attendance is not permitted at this time.

CONVENE REGULAR MEETING – 9:00 a.m. – Virtual Meeting Participation Information

Join Zoom Meeting:

- Use link
- https://zoom.us/j/96405103014?pwd=bWFoc2I2K1RERkhpam5XMlUvYTVVQT09
- Dial in: (253) 215-8782
- Meeting ID: 964 0510 3014
- Passcode: 811656

1. CEO/GENERAL MANAGER BRIEFING AND STUDY SESSION

A. Updates
   1. Media
   2. Legislative
   3. Other

B. Insurance Program Overview & 2021-2022 Renewal
C. 2021 Electric System Bond Issuance Update
D. Distributed Energy Resources Pilots Update
E. Procurement of Advanced Metering Infrastructure (AMI) Equipment and Services
F. Procurement of Advanced Metering Infrastructure (AMI) Meter Data Management System (MDMS) Software and Implementation Services

RECONVENE REGULAR MEETING -1:30 p.m. - Virtual Meeting Participation

2. RECOGNITION/DECLARATIONS

A. Employee of the Month for May – Jeff Feinberg

3. COMMENTS FROM THE PUBLIC

Virtual Participation Information:

If you are attending the meeting virtually (using the link or number provided above) please indicate that you would like to speak by clicking "raise hand" and the Board President will call on attendees to speak at the appropriate time. If you are joining by phone, dial *9 to "raise hand."

Continued →

4. CONSENT AGENDA

A. Approval of Minutes for the Regular Meeting of April 20, 2021
B. Bid Awards, Professional Services Contracts and Amendments
C. Consideration of Certification/Ratification and Approval of District Checks and Vouchers
D. Consideration of a Resolution Designating an Authorized Representative and Alternate for Coordinating Matters Relating to the District's Request for Certain Disaster Assistance Funds from Appropriate Federal and State Agencies for the December 29, 2020, Through January 16, 2021, Severe Winter Storm, Straight-line Winds, Flooding, Landslides, and Mudslides

5. ITEMS FOR INDIVIDUAL CONSIDERATION

A. Consideration of a Motion Accepting the 1st Quarter 2021 Financial Conditions and Activities Monitoring Report
B. Consideration of a Resolution Ratifying and Approving the Northwest Power Pool Membership Agreement, Ratifying Prior Payments, and Authorizing Additional Payments
C. Consideration of a Resolution to Authorize the CEO/General Manager to Execute a Biogas Generator Facilities Sublease and Operations Agreement with Qualco Energy Corporation

6. CEO/GENERAL MANAGER REPORT

7. COMMISSION BUSINESS

A. Commission Reports
B. Commissioner Event Calendar

8. GOVERNANCE PLANNING

A. Governance Planning Calendar

ADJOURNMENT

May 5 -7, 2021:
Public Power Council (PPC)/Pacific Northwest Utilities Conference Committee (PNUCC) Meetings (Virtual)

May 12, 2021:
Northwest Public Power Association (NWPPA) Annual Meeting (Virtual)

May 13, 2021:
Economic Alliance Snohomish County Update – 12:00 p.m. – 1:00 p.m. (Virtual)

The next scheduled regular meeting is May 18, 2021

Agendas can be found in their entirety on the Snohomish County Public Utility District No. 1 web page at www.snopud.com. For additional information contact the Commission Office at 425.783.8611

BUSINESS OF THE COMMISSION

Meeting Date: May 4, 2021 **Agenda Item:** 1

TITLE:

CEO/General Manager's Briefing and Study Session

SUBMITTED FOR: Briefing and Study Session

CEO/General Manager	John Haarlow	8473
Department	*Contact*	*Extension*

Date of Previous Briefing: N/A
Estimated Expenditure: Presentation Planned ☐

ACTION REQUIRED:

☒ Decision Preparation
☐ Policy Discussion
☐ Policy Decision
☐ Statutory
☐ Incidental (Information)
☐ Monitoring Report

SUMMARY STATEMENT:

Identify the relevant Board policies and impacts:

Executive Limitations, EL-9, Communications and Support to the Board – the CEO/General Manager shall...marshal for the board as many...points of view, issues and options as needed for fully informed Board choices.

List Attachments:
CEO/General Manager's Briefing and Study Session attachments

State Government Relations Activity Report

State Overview

- The 2021 regular session adjourned on time, sine die, April 25th, 2021.
- On April 22, Governor Inslee reauthorized the immediate use of the Johnson and Johnson vaccine.
- The Legislature passed the 2021-2023 operating, capital, and transportation budgets. Governor Inslee has not signed the budgets and still holds full or partial veto powers on all budget matters.

  Operating ($59 billion + additional $10 billion federal):
  - Rental and utility assistance could see (**$658 million)**
  - Agency implementing State Energy Strategy re: building decarbonization (**$1.35 million**)

  Capital ($6.3 billion):
  - Clean Energy V (the next generation of Clean Energy Fund) set to receive (**$56.3 million**)
  - Broadband (Infrastructure and program investments) set to receive (**$413 million**)

  Transportation (11.8 billion):
  - Fish Culverts set receive (**$400 million)**
  - Constructing a hybrid-electric ferry ($153 million) and Jumbo Mark II conversions (**$24.75 million**)

Key Hearings/Press Conferences/Meetings

- April 21 | WA State Dept. of Health –Media briefing on COVID response
- April 22 | Governor Inslee Press Conference – To discuss the ongoing COVID-19 pandemic
- April 23 | Washington State Senate – Final Passage of the Capital Budget
- April 24 | Washington State Senate – Final Passage of the Transportation Budget
- April 25 | Washington State Senate – Final Passage of the Operating Budget
- April 25 | Washington Legislature – Sine Die Ceremony
- April 28 | The Impact: Legislators debate the impact of the capital gains tax and environmental legislation from 2021
- April 29 | Governor Inslee Press Conference – To discuss the ongoing COVID-19 pandemic

Calendar

- April 25, 2021 (5 p.m.) was the final day of the 2021 regular legislative session.

Interesting Reads

- The Seattle Times: Johnson and Johnson COVID-19 vaccinations can resume in Washington State
- The Wenatchee World: Inslee: Washington has entered its fourth wave of COVID-19
- Crosscut: Eight big things the Washington State Legislature passed in 2021
- The Seattle Times: Washington grew but not enough to get another House seat, consensus figures show
- NW News Network: Washington joins Oregon, California, British Columbia in passing low-carbon fuel standards
- Washington State Wire: The 2021 legislative session by the numbers

Letters

- N/A

Federal Government Relations Activity Report

Federal Overview

- On April 20, the White House announced a 100-day cybersecurity effort to enhance grid security. The effort will be led by the Department of Energy and the Cybersecurity and Infrastructure Security Agency. The White House indicated that the DOE would encourage electric utilities to improve their "detection, mitigation, and forensic capabilities."
- Interior Secretary Deb Haaland signed a new order to create a Departmental Climate Task Force that would "coordinate work across the Department, including accelerating renewable energy development and identifying actions to foster investments in energy communities. The Order also provides guidance on how science should be used in the decision-making process and improves transparency and public engagement in the Department's decision-making process. The Order additionally provides policy instruction to ensure that the level of National Environmental Policy Act (NEPA) analysis across DOI bureaus is not diminished, that climate change is appropriately analyzed, and that Tribes and environmental justice communities are appropriately engaged."
- On April 21, President Biden pledged that the U.S. would cut greenhouse gas emissions in half by 2030.
- On April 22, Senate Republicans released a counteroffer to President Biden's infrastructure proposal. The $568 billion proposal includes funding for "traditional" infrastructure (roads, bridges & highways), public transport systems, airports, water projects and broadband infrastructure. It does include funding for clean energy, transmission, or grid updates.
- On April 27, the Biden Administration announced a plan to allocate $8.5 billion in federal financing tools to boost transmission buildout and announced a commitment to help state Departments of Transportation host transmission lines, build renewable energy projects, deploy broadband, and support electric vehicle charging along existing highway rights-of-way.
- On April 28, President Biden made his first joint address to Congress where he made his case for comprehensive government action to pull the country out of the pandemic and mitigate the effects of climate change.

Key Hearings

- April 20 | House Agriculture Committee hearing on internet connectivity needs in rural America.
- April 20 | Senate Appropriations Committee hearing on "The American Jobs Plan: Infrastructure, Climate Change, and Investing in our Nation's Future"
- April 22 | Senate Energy & Natural Resources Committee hearing on developing and deploying carbon utilization technologies.
- April 27 | Senate Finance Committee hearing on climate change and the tax code.
- April 28 | Senate Environment & Public Works Committee hearing on the EPA's budget proposal for fiscal year 2022

Interesting Reads

- Politico: Biden unveils sweeping climate goals – and plans to meet it even if Congress won't.
- White House Council of Economic Advisors (White Paper): Innovation, Investment and Inclusion: Accelerating the Energy Transition and Creating Good Jobs

Local Government Relations Activity Report

Local Overview

- On April 20, the Port of Everett announced the entering of a Memorandum of Understanding with NorthPoint Development to support new businesses in the Cascade Industrial Center (Marysville/Arlington) and grow trade and jobs at the Port in Everett. This agreement includes collaboration of market to target key industries that import and export goods. Both the Port and NorthPoint will support the development of 4,000 acres at the CIC, as well as extending the Port's 'tax free' zones to NorthPoint's developments there.
- On April 26, the Snohomish County Council and the Count Executive signed Joint Resolution No. 21-012 celebrating the many achievements and contributions made by members of the Asian American and Pacific Islanders (AAPI), and condemning all acts of hate against members of the community plus pledging May 2121 continued support to the AAPI community. The City of Lynnwood passed a similar proclamation on 4/26/21. Asian Pacific American Heritage Month was created during the Bush Administration in 1990.

Interesting Reads

- Everett Herald: Hwy 2 Median Barriers in Place
- Everett Herald: Snohomish County is the States 6th Happiest County
- Everett Herald: How Community Transit Keeps Snohomish County Communities Safely Moving
- Everett Herald: Snohomish County Kicks Off New Rental Assistance Program
- Everett Herald: As Amazon Moves In Arlington's Roads are Already Strained

Miscellaneous

Overview

- On May 12, the Northwest Public Power Association (NWPPA) will convene a virtual Annual Business Meeting where the 2021 Resolutions will be formally adopted by each voting Representative. Resolutions were reviewed by District staff and prepped with PUD Commission resulting in the recommendation(s) to support. Commissioner Wolfe voted to approve the slate of Resolutions on 2/11/21 at the virtual NWPPA Resolutions Committee meeting.

WASHINGTON STATE 2021 LEGISLATIVE SESSION REPORT

The 2021 regular legislative session adjourned "sine die" on Sunday, April 25 concluding the 105-day "long session". This session marked a new legislative biennium, or two-year cycle in which bills are considered. One of the primary tasks of the long session of each biennium is to pass the State's transportation, operating, and capital budgets. The Legislature was successful in passing all three budgets by sine die.

This year's unprecedented legislative session was largely conducted remotely in response to COVID-19. Due to remote limitations, legislators were asked to reduce the number of bills that were introduced and that bills be limited to only those that legislators considered to be urgently needed.

The 2021 session convened with quick action on pressing issues, addressing the Governor's executive orders, unemployment insurance, and business-related tax relief to alleviate economic challenges associated with the pandemic.

By "sine die", the Legislature passed significant climate change proposals including cap-and-invest and a clean fuel standard. The Legislature also addressed a myriad of other issues including COVID-19 assistance, a capital gains tax, police reform, and the Working Families Tax Exemption.

The Legislature considered but did not pass a transportation package, which is distinct from the transportation budget by making significant investments well beyond the two-year budget cycle. A special session, when the Legislature meets after the regular session to address fiscal or budget related matters, may be called to pass a transportation package.

This report will review legislative statistics, key state legislation, budgets, and non-legislative successes.

LEGISLATIVE STATISTICS

This session, the House and Senate introduced a total of 1,544 legislative proposals, 341 of which successfully passed out of both chambers of the Legislature. Many of the 341 bills now await the Governor's signature or veto. The total number of bills introduced this session was substantially lower than in 2019, the previous long-session.

Snohomish PUD Government Relations reviewed and analyzed 368 bills for their potential relevance to the utility. Of those, we actively monitored 259 bills and reported out on 12 bills that we determined to be "Key State Legislation".

	2021	2019
Total bills introduced in the Legislature:	**1,544**	2,407
Total bills reviewed by Snohomish PUD GR staff:	**368**	N/A
Total bills monitored by Snohomish PUD GR staff:	**259**	337
Total bills passed the Legislature:	**341**	479

KEY STATE LEGISLATION REVIEW

The following section reviews all bills, as of sine die, that Snohomish PUD Government Relations reported to the Commission through the Key State Legislation Report over the 2021 session. Bills that passed the Legislature but are not yet signed into law could face a full or section veto by the Governor.

E2SSB 5126 (CLIMATE COMMITMENT ACT)

Status: Passed the Legislature

Snohomish PUD final position: "Other"

Summary of final bill (with focus on electric utility provisions):

- The Department of Ecology (Ecology) must implement a greenhouse gas emissions (GHGe) cap and invest program (program) to reduce GHGe aligned with statewide emissions limits.
- The first compliance period runs 2023-2026. Imported and in-state generated electricity that meet certain thresholds are covered under the first compliance period.
- Electric utilities will receive program allowances at no-cost to be consistent with each utility's forecasted supply and demand and program cost burden.
- Rules re: allocating no-cost allowances to electric utilities must consider the impact of growing electrification of transportation, buildings, etc.
- Allowances allocated at no-cost to electric utilities must be consigned to auction for the benefit of ratepayers, deposited for compliance, or a combination of both.
- Electric utilities may not receive no-cost allowances after 2045.
- Compliance obligations will not take effect until a separate, additive transportation revenue act where the fuel tax is increased by an additional rate of at least $0.05/gallon becomes law.

Impacts to principles:

- **Reliability of service:** Likely no impact.
- **Affordability of rates:** See response to local control below.
- **Safety to community:** Likely no impact.
- **Local control:** Impacts largely hinge on how this proposal would be implemented and operate in parallel with the Clean Energy Transformation Act (CETA).
- **Environmental stewardship:** Intended beneficial impacts economy-wide.

Successes related to Snohomish PUD efforts:

- Resolved concerns re: point of compliance.
- Resolved concerns re: allowance allocation.
- Resolved concerns re: electrification impacts on utility compliance obligations.
- Ensured flexibility in use of no-cost allowances.

Unresolved Issues for Snohomish PUD:

- Program operation in parallel with CETA. This will be addressed in rulemaking.

Closing legislative action:

- TVW – House Floor Debate, April 23, 2021
- TVW – Senate Floor Debate re: concurrence, April 24, 2021

E3SHB 1091 (Clean Fuel Standard)

Status: Passed the Legislature

Snohomish PUD final position: "Other"

Summary of final bill (with focus on electric utility provisions):

- Ecology must adopt rules establishing a Clean Fuels Program (CFP) to limit aggregate, overall GHGe per unit of transportation fuel energy to 20% below 2017 levels by 2038.
- Electric utilities may participate in the CFP and generate CFP credits through their electricity used as a transportation fuel for electric vehicles (EVs). Rulemaking will establish a methodology calculate credits generated from residential, at-home charging.
- Electric utility CFP credit expenditures are bifurcated into two 50% categories:
    - 50% must be spent on transportation electrification (TE) projects. 60% of these expenditures must be invested in disproportionately impacted communities.
    - 50% must be spent on TE programs or projects selected from a list of types of programs and projects developed with the Utilities & Transportation Commission.
- Compliance obligations will not take effect until a separate, additive transportation revenue act where the fuel tax is increased by an additional, cumulative tax rate of at least $0.05/gallon becomes law.

Impacts to principles:

- **Reliability of service:** No impact.
- **Affordability of rates:** Likely benefits.
- **Safety to community:** No impact.
- **Local control:** Language mandating utility expenditures was improved from previous versions, but impacts are uncertain until Ecology rulemaking has concluded.
- **Environmental stewardship:** Intended benefits.

Successes related to Snohomish PUD efforts:

- Ensured electric utilities will receive all electric utility-related revenues. As passed out of the Senate, state agencies might have received 50% of electric utility CFP revenues.
- Ensured other entities were not delegated electric utility revenues. As passed out of the House, an undetermined amount of utility credits was delegated to a non-utility sector.

Unresolved Issues for Snohomish PUD:

- Language guiding the "second 50% category" of utility expenditures by utility TE plans to improve local control and better address customer needs and regional circumstances. This will be addressed in rulemaking.

Closing legislative action:

- TVW – Conference Committee report, April 24, 2021
- TVW – Senate adopts Conference Committee report, April 25, 2021
- TVW – House adopts Conference Committee report, April 25, 2021

SHB 1084 (BUILDING DECARBONIZATION)

Status: Failed to pass out of the House

Snohomish PUD final position: "Other"

Summary of final bill:

- Authorizes a consumer owned utility's governing board to adopt a beneficial electrification plan to determine the benefits of electrification equals or exceeds costs.
- Establishes a Heat Pump and Electrification Program in Commerce. Part of the Program is to develop and implement an incentive program for residential and commercial building owners to convert to high-efficiency electric heat pumps.
- Prohibits a natural gas utility from offering new service to customers outside the area authorized in the utility's approved certificate of public convenience and necessity.
- Requires tariffs for residential and commercial gas line extensions to recover the full cost of the extension from the customer requesting service.
- The Department of Commerce will adopt a state energy management and benchmarking requirement for Tier 2 and Tier 3 covered commercial buildings.

Impacts to principles:

- **Reliability of service:** No impact.
- **Affordability of rates:** Impacts are uncertain depending on the magnitude of building electrification relative to statutory compliance obligations. Impacts could range from beneficial to detrimental.
- **Safety to community:** No impact.
- **Local control:** Potential benefits due to beneficial electrification plan.
- **Environmental stewardship:** Intended benefits.

Successes related to Snohomish PUD efforts:

- Resolved previous concerns by ensuring, *if* a utility pursued a beneficial electrification program, legal vulnerabilities were feasibly mitigated.
- Ensured utilities, were they to pursue a beneficial electrification program, had flexibility in establishing a program that was best suited for their and their customer circumstances.

Unresolved Issues for Snohomish PUD:

- Uncertainties around growth of electrification impacts were not addressed beyond the potential benefits to utilities of load management and demand response associated with beneficial electrification efforts.

Closing legislative action:

- N/A

SB 5008 (BPA B&O Tax Exemption: Low-Income Assistance)

Status: Passed the Legislature

Snohomish PUD final position: "Support"

Summary of final bill:

- Reinstates the business and occupation tax exemption for power conservation and demand management credits and funding from the Bonneville Power Administration, if the tax savings are used for low-income ratepayer assistance.
- Expires the new exemption on January 1, 2030.
- Adds a tax preference performance statement.

Impacts to principles:

- **Reliability of service:** Potential benefits through reduction in energy consumption particularly during peak-demand seasons.
- **Affordability of rates:** Benefit to our income-qualified customers.
- **Safety to community:** No impact.
- **Local control:** No impact.
- **Environmental stewardship:** Potential benefit through reduction in energy consumption particularly during peak-demand seasons.

Successes related to Snohomish PUD efforts:

- Snohomish PUD has advocated for the passage of this proposal for years.

Unresolved Issues for Snohomish PUD:

- N/A

Closing legislative action:

- TVW – Voted out of the House, April 22, 2021

E2SHB 1117 (NET ECOLOGICAL GAIN)

Status: Failed to pass out of the House

Snohomish PUD final position: "Other"

Summary of final bill (with focus on electric utility provisions):

- Adds salmon recovery as a goal under the Growth Management Act (GMA).
- Requires the land use element of comprehensive plans adopted under the GMA to include a strategy that achieves net ecological gain of salmon habitat.
- Requires the capital facilities element and transportation element of comprehensive plans adopted under the GMA to include a schedule for elimination of all identified fish passage barriers.
- Requires the Department of Fish and Wildlife to adopt rules establishing criteria for net ecological gain which some counties and cities must meet through the adoption of comprehensive plans.
- Net ecological gain is posed to only impact public entities/facilities.

Impacts to principles:

- **Reliability of service:** No impact.
- **Affordability of rates:** What constitutes "net ecological gain" still does not have a substantial framework. Cost impacts to achieve net ecological gain could vary significantly.
- **Safety to community:** No impact.
- **Local control:** See affordability of rates.
- **Environmental stewardship:** Intended beneficial impacts.

Successes related to Snohomish PUD efforts:

- Removed language that could have had direct consequences on our regional hydroelectric facilities. This language would have required comprehensive plans to analyze removing our hydroelectric facilities.
- Clarified language an entity that an entity would have to "contribute to" or "advance" net ecological gain rather than "achieve" the standard. This relieved some uncertainties re: meeting the net ecological gain standard.

Unresolved Issues for Snohomish PUD:

- Further clarity should be considered re: the first bullet point in the previous section.
- A framework should be further established around what net ecological gain is to help improve statutory outlines of the rulemaking process.

Closing legislative action:

- N/A

ESHB 1056 (Open Public Meeting Authority)

Status: Failed to pass the Legislature

Snohomish PUD final position: "Support"

Summary of final bill:

- Allows a public agency to hold meetings of its governing body remotely or with limited in-person attendance after a declared emergency.
- Requires that the public be allowed to listen in real time and at no cost to meetings that are held remotely or with limited in-person attendance.
- Requires all public agencies, except for certain special purpose districts, cities, and towns, to post agendas online for regular meetings and for special meetings held remotely or with limited in-person attendance.

Impacts to principles:

- **Reliability of service:** No impact.
- **Affordability of rates:** No impact.
- **Safety to community:** No impact.
- **Local control:** Benefits in the ability to hold a public meeting during a declared emergency.
- **Environmental stewardship:** No impact.

Successes related to Snohomish PUD efforts:

- Snohomish PUD advocated for this bill throughout the session.

Unresolved Issues for Snohomish PUD:

- There may be continued efforts to address this issue in the 2022 session.

Closing legislative action:

- N/A

E2SHB 1050 (Reducing Greenhouse Gas Emissions - HFCs)

Status: Passed the Legislature

Snohomish PUD final position: "Neutral"

Summary of final bill:

- The Department of Ecology (Ecology) will establish a maximum global warming potential (GWP) threshold for hydro fluorocarbons (HFCs) in new stationary air conditioning (AC) and stationary refrigeration. The availability and affordability of refrigerant/equipment and training must be considered. If there are limitations – Ecology is encouraged to consider delaying the effective date of restrictions.
- Ecology will establish a refrigerant management program for large AC and systems refrigerant emissions
- Ecology will recommend a refrigerant end-of-life management and disposal program.
- Establishes a state purchasing and procurement preference for recycled refrigerants.
- Encourages electric utility mandatory cost-effective conservation activities to include promoting the adoption of AC equipment that has a GWP higher than 750 and the replacement of stationary refrigeration systems that contain ozone-depleting substances or high-GWP refrigerants.
- The State Building Code Council will adopt rules to allow low-GWP substitutes to the maximum extent practicable.

Impacts to principles:

- **Reliability of service:** No impact.
- **Affordability of rates:** No impact.
- **Safety to community:** No impact.
- **Local control:** No impact.
- **Environmental stewardship:** Intended benefits from removing/reducing HFCs. There could be adverse impacts related to conservation potential of appliances/equipment.

Successes related to Snohomish PUD efforts:

- Resolved concerns that fundamentally shifted how utilities would consider and pursue cost-effective conservation in complying with the Energy Independence Act. Language was struck which would have required the consideration of "nonenergy impacts associated with… generation" and refrigerants.

Unresolved Issues for Snohomish PUD:

- N/A

Closing legislative action:

- TVW – House concurred in Senate amendments, April 12, 2021

SB 5007 (REDUCING UTILITY COMPLIANCE OBLIGATIONS – COVID-19)

Status: Failed to pass out of the Senate

Snohomish PUD final position: "Neutral"

Summary of final bill:

- Intends to provide certain temporary compliance relief to reduce costs to utilities and create financial support for utility customers economically impacted by COVID-19.
- Considers qualifying utilities in compliance with their energy conservation target obligations under the Energy Independence Act through December 2023 if the utility uses the same amount of funds expended in the immediately previous compliance period to assist retail customers.
- Clean Energy Implementation Plan (CEIP) requirements and compliance reporting associated with the CEIP, under the Clean Energy Transformation Act are waived through December 31, 2026, for utilities that essentially meet the 2030 greenhouse gas neutral standard.

Impacts to principles:

- **Reliability of service:** No impact.
- **Affordability of rates:** No impact.
- **Safety to community:** No impact.
- **Local control:** No impact.
- **Environmental stewardship:** No impact.

Successes related to Snohomish PUD efforts:

- N/A

Unresolved Issues for Snohomish PUD:

- N/A

Closing legislative action:

- N/A

ESHB 1336 (PUD Broadband Authority)

Status: Passed the Legislature[1]

Snohomish PUD final position: "Neutral"

Summary of final bill:

- Authorizes a public utility district (PUD), port district (port), town, second-class city, and county to provide retail telecommunications services.
- Requires PUDs, towns, second-class cities, counties, and ports to report specified findings to its governing body and the Statewide Broadband Office about the area to be served before providing retail telecommunications services.
  Provides an exception for increasing access to broadband to provisions regarding a county, city, or town planning under the Growth Management Act.

Impacts to principles:

- **Reliability of service:** No impact.
- **Affordability of rates:** No impact.
- **Safety to community:** No impact.
- **Local control:** No impact.
- **Environmental stewardship:** No impact.

Successes related to Snohomish PUD efforts:

- N/A

Unresolved Issues for Snohomish PUD:

- N/A

Closing legislative action:

- TVW – House concurs in Senate amendments, April 23, 2021

[1] Note: The Senate bill, 2SSB 5383, also passed out of the Legislature. It is uncertain how these two separate bills will function in parallel.

SB 5373 (CARBON TAX / GREEN BONDS: WA STRONG)

Status: Failed to pass out of the Senate

Snohomish PUD final position: "No position"

Summary of final bill:

- Imposes a carbon pollution tax beginning January 1, 2022, equal to $25 per metric ton of greenhouse gas (GHG) emissions on the sale or use of all fossil fuel within the state of Washington, except for the sale or use of electricity in Washington generated using fossil fuels.
- Increases the tax rate annually by inflation, as measured by the consumer price index, plus 5 percent beginning July 1, 2023.
  Establishes a ten-year climate finance program using carbon tax revenue and a bond program to reduce GHG emissions and increase the resilience of Washington's natural resources to the impacts of climate change.

Impacts to principles:

- **Reliability of service:** No impact.
- **Affordability of rates:** No impact.
- **Safety to community:** No impact.
- **Local control:** No impact.
- **Environmental stewardship:** No impact.

Successes related to Snohomish PUD efforts:

- N/A

Unresolved Issues for Snohomish PUD:

- N/A

Closing legislative action:

- N/A

HB 1490 (Making Prohibition on Utility Disconnects Permanent)

Status: Failed to pass out of the House

Snohomish PUD final position: "Oppose"

Summary of final bill:

- Extends the winter shutoff moratorium and energy assistance requirements to apply to rural electric cooperatives in addition to municipal electric utilities, public utility districts, and investor-owned utilities.
  Establishes a year-round energy service shutoff moratorium for low-income households or households with people with disabilities.

Impacts to principles:

- **Reliability of service:** No impact.
- **Affordability of rates:** Potential negative impacts due to shifting costs.
- **Safety to community:** No impact.
- **Local control:** Negative impacts due to disallowing utility governing boards to address utility disconnect policies.
- **Environmental stewardship:** No impact.

Successes related to Snohomish PUD efforts:

- The bill did not advance through the Legislature so the issue may be further addressed.

Unresolved Issues for Snohomish PUD:

- Snohomish PUD has offered and requested to collaborate with various stakeholders to better understand differing perspectives. This request has currently gone unanswered.

Closing legislative action:

- N/A

E2SHB 1287 (ZERO-EMISSIONS TRANSPORTATION FUTURE)

Status: Passed the Legislature

Snohomish PUD final position: "Support[2]"

Summary of final bill:

- Requires the Department of Transportation to develop and maintain a public mapping and forecasting tool that provides essential information for charging and refueling infrastructure to support forecasted levels of electric vehicle (EV) adoption and use.
- Requires electric utility integrated resource plans (IRPs) to account for modeled load forecast scenarios of anticipated levels of zero-emissions vehicle (ZEV) use in the utility's service area.
- Requires the Building Code Council to implement rules for residential occupancies to require EV charging capability at all new buildings with on-site parking, in an amount that is the greater of at least one parking space, or 10% of parking spaces.
- Establishes a goal that all passenger and light duty vehicles of model year 2030 or later sold, purchased, or registered in Washington be EVs, contingent upon vehicle participation in a new road usage charge or equivalent tax or fee policy.

Impacts to principles[3]:

- **Reliability of service:** Potential benefits, centralized source of ZEV-related infrastructure data.
- **Affordability of rates:** Potential benefits by utilizing Washington State Department of Transportation's mapping and forecasting tool to benefit our planning processes.
- **Safety to community:** No impact.
- **Local control:** No impact. Snohomish PUD already incorporates ZEV use into our resource planning processes.
- **Environmental stewardship:** Potential benefits through improved, deliberate, and thoughtful planning processes for greater ZEV adoption/use.

Successes related to Snohomish PUD efforts:

- Resolved concerns re: the role of utility IRPs, what is forecasted/modeled and how.
- Resolved confusion and ensured distinction between utility IRPs and utility Transportation Electrification plans.

Unresolved Issues for Snohomish PUD:

- N/A

Closing legislative action:

- TVW – House concurs in Senate amendments, April 14, 2021

[2] Snohomish PUD's engagement and position of support is explicitly limited to the electric vehicle forecasting & mapping tool and Integrated Resource Plan provisions.

[3] It is unclear how the "2030 EV goal" will impact legislative principles.

Transportation, Operating, & Capital Budgets

The Legislature passed all three of its budgets for the 2021-2023 biennium: transportation, operating, and capital. Note: the transportation budget is separate from the transportation package, which the legislature considered this session as well. As mentioned earlier, a transportation package did not successfully pass the Legislature and may lead to a special session at some point over the 2021 interim.

Transportation Budget

2021-23 Total: $11.8 billion

- Convert (up to) two Jumbo Mark II vessels to EV: **$24.75 million**
- Continue construction: hybrid-electric ferry: **~$153 million**
- Fish culverts: **$400 million** (federal)
- Backfill COVID-related revenue gap: **$600 million** (federal)
- Alt. fuel vehicle charging/refueling infrastructure: **~$7 million**
- Green transportation, CO2 reductions & electrification: **$5 million**

Operating Budget

2021-23 Total: $59 billion, $10 billion federal (additive to $59b)

- Rental and utility assistance: **$658 million**
- Utilities & Transportation Commission to examine how IOU/natural gas utilities can reduce greenhouse gas emissions (GHGe): **$450,000**
- Department of Commerce to "implement the State Energy Strategy" re: reducing GHGe from new and existing buildings: **$1.350 million**
    - Includes utility electrification benefits
- Assistance to prevent housing foreclosures: **$190 million**
- Reopening K-12 schools and address learning loss: **$1.7 billion**
- Vaccine deployment, testing and contact tracing, etc.: **$1.1 billion**
- Unemployment insurance relief re: COVID-19: **$500 million**
- Small businesses Help through various programs: **$201 million**

Capital Budget

Total: $6.3 billion

- Clean Energy V: **$56.3 million**
    - Grid modernization: **$17.6 million***
        - *only $11 million available for competitive grants
    - Strategic research and development: **$10.8 million***

        - *only $5 million available for competitive grants
    - Nonprofit energy efficiency/renewable technology: **$2.5 million**
    - Innovative electrification of transportation systems: **$5.5 million***
        - *only $3 million available for competitive grants, much of which is earmarked for tribal governments and rural local governments
    - Building electrification: **$10 million**, $5 million for fuel switching
    - Maritime electrification: **~$4.9 million** ($4.45 million for NW Seaport Alliance)
- Rural clean energy innovation projects: **$4.9 million**
- Hatchery projects: **$36 million**
- Water quality and supply programs: **$491+ million**
    - (Water Pollution Control Revolving Fund Program, earmarked programs)
- Toxics cleanup and prevention: **$254 million**
- Flood-risk reduction and flood plan habitat restoration: **$121 million**
- Recreation, conservation, and salmon recovery: **$386 million**
- Broadband: **$413 million**

NON-LEGISLATIVE SUCCESSES

Snohomish PUD State Government Relations' work extends well beyond legislative matters, even during session. Over the past year and through the 2021 legislative session most of Government Relations' non-legislative work has been in direct response to COVID-19. The following information captures some of Government Relations' recent successes beyond legislative matters.

- Snohomish PUD Government Relations engaged directly with the Governor's Office in constructing the Governor's guidance documents regarding the moratorium on utility disconnects; ensuring Snohomish PUD's efforts were reasonably reflected.
- Snohomish PUD Government Relations continues to engage legislators, the Governor's Office, stakeholders, and agency leaders on customer assistance efforts and needs, particularly preparing for accruing arrearages.
    - This has resulted in State decision makers seeking Snohomish PUD expertise as a model utility. The Governor's Office and Department of Commerce continue to seek our expertise, best practices, and lessons learned on COVID-19 related customer assistance and communication to advance State guidance.
    - The PUD's communication and coordination efforts, as well as holistic and impactful approach to providing customer assistance was seen as a benefit that could be utilized by other utilities.
- The Public Generating Pool (PGP) has tapped Snohomish PUD State Government Relations and Power Supply to serve as co-chairs of PGP's Carbon Workgroup, ensuring the PUD helps guide strategy and discussions among that broad utility group.
- After a few attempts by Snohomish PUD Government Relations' suggesting the Governor and his Office visit our Arlington Microgrid site, the Governor and his Office made a site visit in April.

Insurance Program Overview & 2021 -2022 Renewal

Presented by: Jim Herrling

Presented: May 4, 2021
Last Discussion: May 19, 2020

Responsible Cost & Fiscal Management

Briefing Objectives

- Asset Protection Overview
  - Commission Policy EL-7
- Policy Overview
  - Market Update
  - Significant Events
  - Excess Liability Insurance
  - Property
  - Cyber Insurance
  - Historical Costs
- Renewal Process
  - Premium Estimates
  - Next Steps

Responsible Cost & Fiscal Management

Asset Protection -Commission Policy EL-7

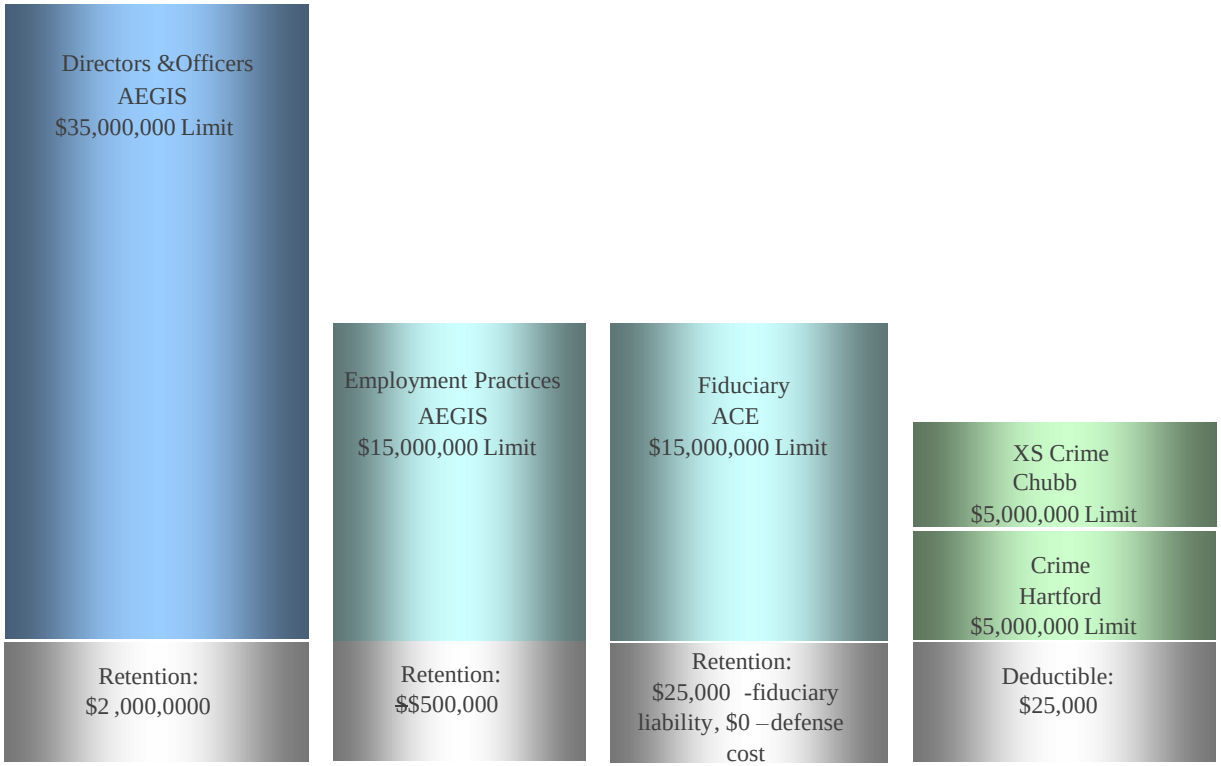
- The general manager shall not allow corporate assets to be unprotected... Accordingly, he or she shall not fail to maintain:
  - Excess liability insurance, including minimum coverage per occurrence of $35 million /$70 million aggregate;
  - Property insurance (for non-transmission and distribution system assets) for replacement value;
  - Vehicle Insurance for cash value; and
  - Crime and fidelity insurance for personnel with access to material amounts of funds.

Responsible Cost & Fiscal Management

Policy Overview

SIR = self insured retention

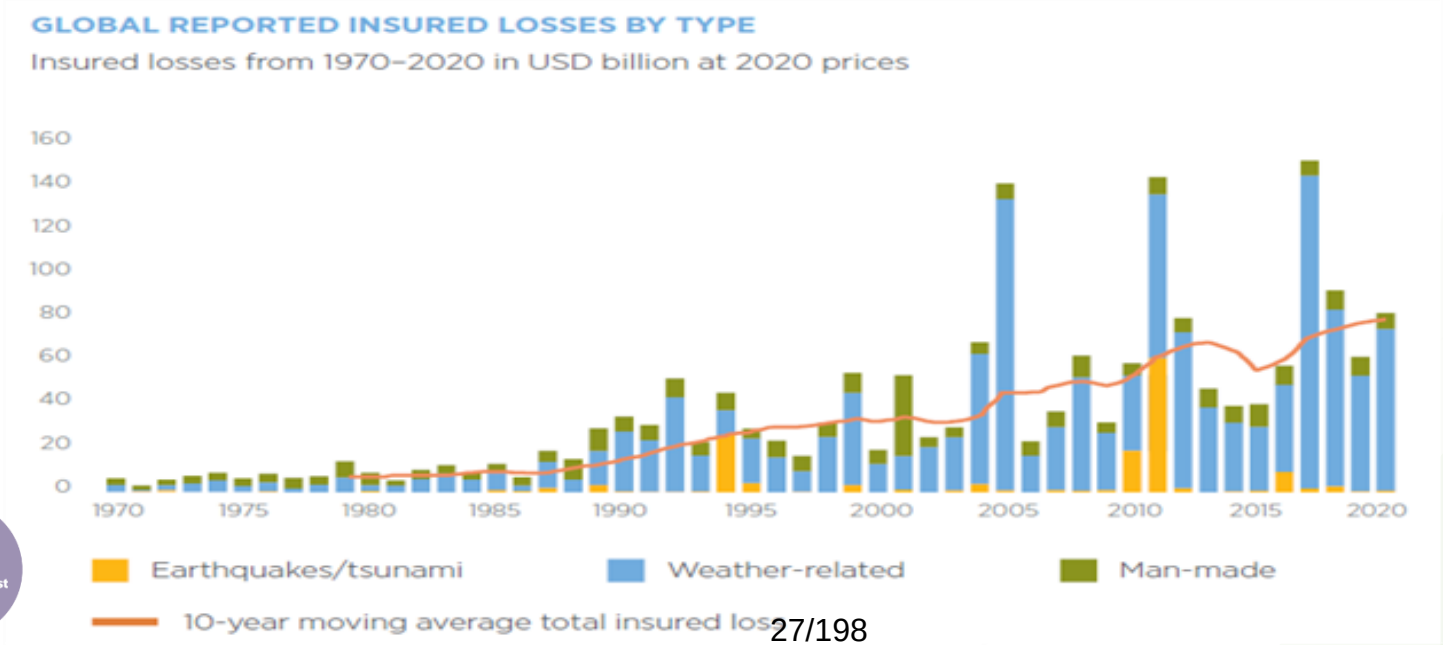
Policy Overview- Management Liability



Responsible Cost & Fiscal Management

Market Update

- Significant market hardening due to natural disasters over the last few years
  - 6 Consecutive Years of 10 or more $1 Billion+ loss events in the U.S. (Prior to 2015 there were 4 in the last 40 years)
  - August 2020 derecho event impacted Illinois, Iowa, Minnesota and Wisconsin
  - Ongoing Wildfires in California, Oregon and Washington



Responsible Cost & Fiscal Management

Excess Liability Insurance

- Policy Limits/Deductibles
  - $50 million ($35MM+$15MM) each claim,
  - $85 million maximum aggregate (policy year)
  - Self-insured Retention of $2 million per occurrence
    - Water $250,000 Retention
  - $10 Million Self-Insurance Reserve Fund

- Claims History
  - One potentially significant claim remains unsettled
  - 2019 Claim Settlement (2015) - $6.8 million
  - 2004 Claim Settlement (1998) - $2.2 million

- Solicited bids from multiple carriers
  - Aegis
  - EIM
  - Multiple Indications were more than double AEGIS/EIM Options (any wildfire coverage started at $250k/$1M)

Responsible Cost & Fiscal Management

Property Insurance

- Quota Share Policy
  - Currently 5 markets participating:
    - Starr Tech (Lead), AEGIS, Munich Re, Allianz, EIM
  - $400 Million Loss Limit
- Claims History
  - 2013 water damage to Electric Building and Annex - $689k insurance settlement, total claim approx. $1M
  - 2003 Two substation fires totaling $1.2 million in damages
- Global Marketing Effort Made to Secure Most Favorable Terms
  - New Markets (Domestic): 7 carriers
  - New Markets (London): 4 carriers

Responsible Cost & Fiscal Management

Property Insurance

- **Coverage Overview**
  - Real and personal property include earthquake, flood and dam sublimits.

Policy Limits/Deductible*	Limit	Deductible
Real & Personal Property Elec & Gen	$400 Million	$250k*,
Water Assets	$400 Million	$100K*
Sub-Limits		
Earth movement	$100 Million	2% or $250K; 1M Jackson Hydro
Dam	$100 Million	2% or $1 Million
Flood	$100 Million	$250k; $500k AV Zones
Terrorism (Certified & non-certified)	$400 Million	$250k

- **Transmission and Distribution are excluded -** Most PUDs do not purchase coverage due to cost prohibitive and limited coverage

*Seeking higher alternate deductibles to determine premium impact (if any)

Cyber Coverage

- Incumbent Beazley reduced limit & increased retention. Extensive marketing.
  - Adding Crum & Forster to provide excess coverage layer
- Third Party Liability - $5 million per occurrence/$250K Retention
  - Security & Privacy - Failure to prevent access
  - Regulatory - NERC/CIP cost to defend a regulatory action/Indemnify fines
  - Payment Card Industry/Data Security Standard -Credit Cards and Personal Health Information
  - Media Liability - Photos used w/o permission – including electronic media on website and other media
- First Party Damages –(Includes loss of revenue and/or increased costs of replacement power) $5 million per occurrence unless otherwise noted/ $250K Retention
  - Data Protection - Costs/expense to restore
  - Network Interruption - Loss of income/extra expenses - 10 hour waiting period
  - System Failure - 10 hour waiting period
  - Cyber Extortion - Ransom ware, bitcoin payments
  - Dependent Interruption/Failure - 10 hour waiting period **$1 million sublimit**

Responsible Cost & Fiscal Management

2021-22 Insurance Renewal - Estimates

Summary of Premium Estimates [1]

April 27, 2021

	Carrier	($ Millions) Coverage	Self-Ins. Retention/ Deductible	Total 2021-2022 Quotes	Total 2020-2021 Quotes
Excess Liability	AEGIS	$ 35	$ 2 Million	$1,053,750	$762,242
Water - Excess Liability	AEGIS	$ 35	$ 250,000	85,000	61,260
Additional Excess Liability	EIM	$ 15	$35 Million	93,600	76,575
Public Officials' Liability	AEGIS	$ 35	$ 2 Million	114,400	98,467
Employment Practices	AEGIS	$ 15	$500,000	106,250	76,575
Property/Boiler & Mach.	Quota share	$ 400	$ 250,000 [2]	1,372,139 [2]	1,181,180
Water - Property	Quota share	$ 400	$ 100,000 [2]	incl above	incl above
Excess Workers' Comp.	Safety Nat'l	Statutory	$ 2 Million	122,247	114,935
Cyber	Beazley Group	$ 3	$250,000	79,004	59,218
Cyber - Excess	Crum & Forster	$ 2	$ 3 Million	30,834	-
Fiduciary	Chubb	$ 15	$ 25,000	42,182	36,680
Fidelity & Crime	Hartford	$ 5	$ 25,000	15,455	15,525
Excess Fidelity & Crime	ACE / Chubb	$ 5	$5 Million	12,134	12,134
Non-owned Aircraft	Starr Indemnity	$ 2	-	4,140 [3]	3,608
Hull & Machinery/P&I	Navigators	$ 1	$ 5,000	6,399	4,182
Excess P&I	Navigators	$ 1	$ 1 Million	5,000	3,570
Vessel Pollution	WQIS	$ 2	-	2,410	2,410
National Flood Insurance	NFIP	$ 1	$ 10,000	60,639	48,528
Total Estimated Premiums				$ 3,205,582	$ 2,557,088

(1) The 2021-2022 premiums shown are subject to further modification prior to acceptance by the District.

(2) Preliminary - Subject to change

(3) Non-Owned Aircraft coverage was placed for three years, 2021-2023. The Premium will be paid in three equal installments of $4140 in June 2021, 2022 and 2023.

Responsible Cost & Fiscal Management

Next Steps

- Continue to work with Broker to obtain best coverage/quotes.
- Return to the Board May 18th for approval of Resolution authorizing the General Manager or Treasurer to bind coverage.

Responsible Cost & Fiscal Management

2021 Electric System Bond Issuance Update

May 4, 2021
Presented by: Lauren Way, Deputy Treasurer

Overview

Background

- Approved 2021 Budget anticipated $60 million bond issuance
  - Five-year forecast includes $60 million bond issuances in 2021, 2022, and 2023
- Commission approved Reimbursement Resolution on February 16th for issuance up to $100 million
  - Allows for expenditures to be allocated to bond proceeds up to 60 days prior to the date of the Resolution

Today's Briefing

- Size and structure of the issuance
- Tentative Schedule and next steps

Size/Structure of Issuance

- Current capital forecast for 2021 – 2023 is approximately $316 million
- Anticipating issuing $100 million of Electric System Revenue Bonds in June 2021
  - Tax-exempt
  - Fixed Rate
  - 30-year life
  - Low interest rate environment
  - Debt Service Coverage and Reserve Balances are maintained above minimums
- Anticipating issuance of $60-80 million of tax-exempt fixed rate bonds in 2022 or 2023
  - Flexibility in capital plan funding

Tentative Schedule and Next Steps

- April/May
  - Prepare Preliminary Official Statement
  - Draft Supplemental Resolution
  - Virtual meetings with Rating Agencies
  - Post Notice of Intent to Issue
- June
  - Approve Supplemental Resolution – Approximately June 1st
    - Approve the distribution of the Preliminary Official Statement
    - Approve of the form of the Preliminary Official Statement
    - Approve the form of the Bond Purchase Agreement
    - Delegate authority to Treasurer/CFO to execute various bond documents including the Bond Purchase Agreement
  - Price Bonds – Approximately June 9th
  - Brief Commission on Bond sale results – Approximately June 15th
  - Close Transaction – Approximately June 22nd

Questions?

Distributed Energy Resources Pilots Update

5/4/2021 – Update on Distributed Energy Resources Pilots

12/1/2020 – Info Session on Distributed Energy Resources Pilots

11/3/2020 – Distributed Energy Resources Update

7/16/2019 – Utility of the Future Workshop

Kelly Strand - Program Manager, Customer & Energy Services

Peter Dauenhauer - Senior Utility Analyst, Power, Rates & Transmission

Aaron Swaney - Media & PR Liaison, Communications & Marketing

Agenda

- FlexEnergy Pilots & Goals
- Customer Benefits
- Pilot Updates
- Preparing for the Utility of the Future

Pilots provide key link to District's DER Planning Initiative

DER Planning Initiative seeks to prepare the District for DERs entering our service territory.

DERs are "Non-emitting resources that provide electric energy, capacity, or ancillary services to an electric utility and that are located on the distribution system…."

- *Clean Energy Standard ESSB 5116, Clean Energy Transformation Act*

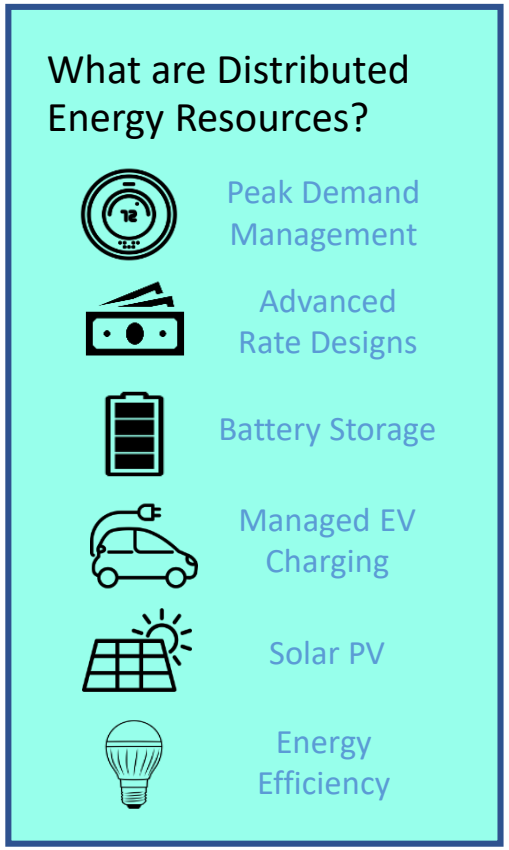


Image Source: Noun Project

FlexEnergy Pilot Goals

Engage customers in Utility of the Future experience that rewards customer load flexibility, offers choice of methods to manage usage and bill, and evaluates customer experience

Develop evidence of customer load shifting, and energy use and bill impacts resulting from pricing and demand response signals

Pilot DER aggregation tools and suite of modern technologies/ rates to build the capacities of District personnel ahead of Connect Up meter implementation

Potential Customer Benefits

- Rewards for flexibility
  - Rewards for managing usage during peaks
  - Customers can reduce their bills
  - Earn incentives
- Equitable Access
  - Participation with and without devices
- Positive impact on the Environment
  - Reduce carbon footprint
  - Support transition to clean energy

Three methods to partner with customers

Pilots provide three methods to partner with our residential customers to reduce energy use for a period of time in response to PUD signals.

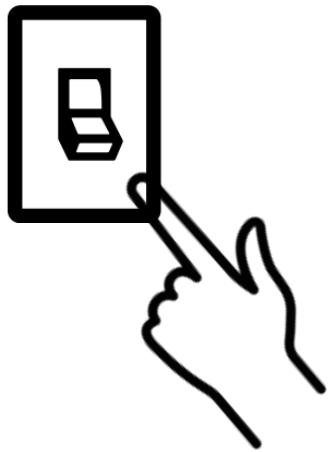
Time of Day rate provides daily and seasonal tiered pricing signals

Demand Response provides annual incentives for customers to respond to occasional Peak Events requests to reduce energy use

Critical Peak Pricing rate provides annual discount in return for customers responding to occasional Peak Events (pricing signals) to reduce energy use

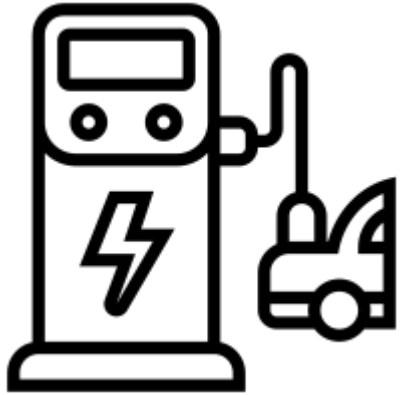
Pilots offer opportunity for households to respond by decreasing usage or enrolling the connected devices they already own to manage usage

Year 2:



Behavioral Response

Connected Thermostats

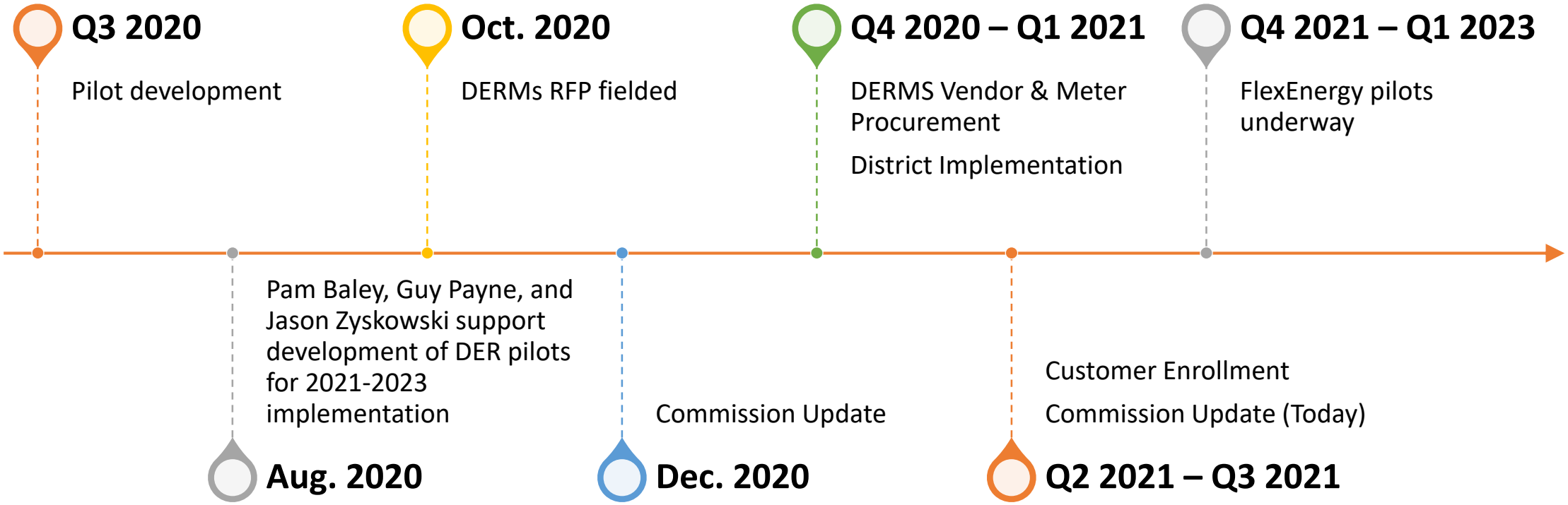


Connected EV Chargers

Connected Water Heaters

Image Source: Noun Project

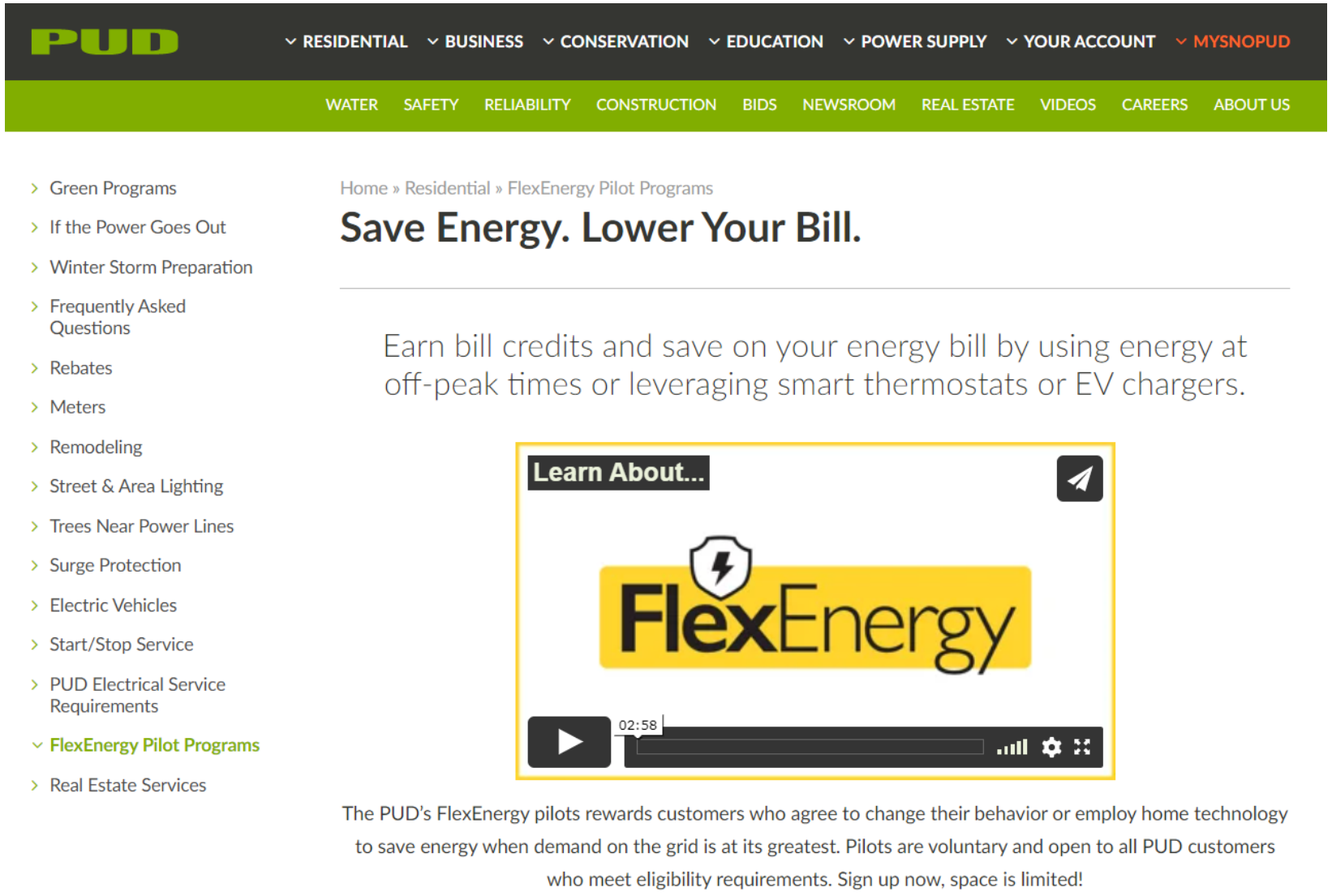
Pilot Development Timeline



FlexEnergy Customer Video

FlexEnergy Website

- Present customers with info they need to make decision about participation
- Enrollment paths for customers with/without eligible smart devices
- Info on pilot specifics



FlexEnergy Website

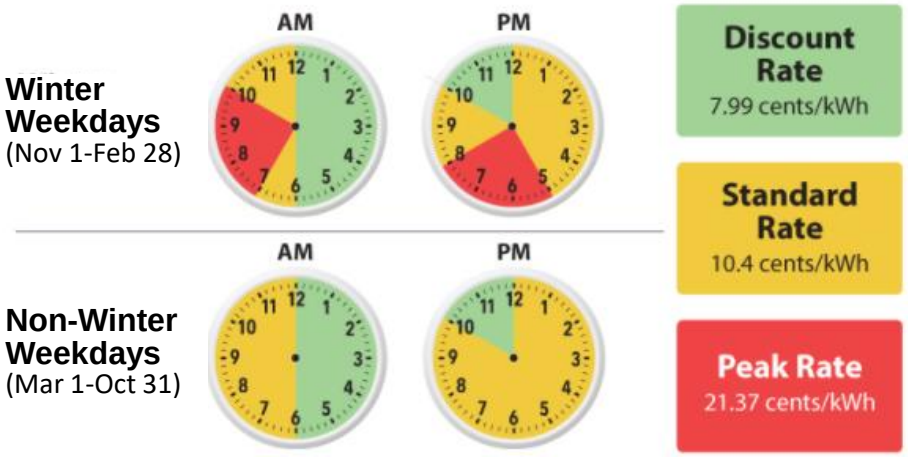
- Educate customers on flexible rate and demand response pilots
- Connect customers to DERMS vendor Virtual Peaker
- Ensure smooth enrollment with manufacturer

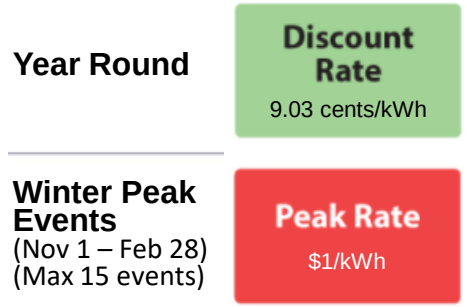
Pilot Details

	FlexTime	FlexResponse	FlexPeak
Incentives	$20 Winter Bill Credit (Nov ‘21 – Feb ’22), $80 total	$80 Enrollment, $40 Annual Participation Bill Credit	$20 Winter Bill Credit (Nov ‘21 – Feb ’22), $80 total
Addresses winter peaks (Nov 1-Feb 28)	Yes	Yes, up to 15 events per winter	Yes, up to 15 events per winter
Rates	Time of Day rates	NA	Critical Peak Pricing rates
Day Ahead Customer Notice	NA	Yes, SMS text message	Yes, SMS text message
Enrolled devices enable opt-out	NA	Yes, devices can opt-out	Yes, devices can opt-out. FlexPeak rate still conveyed to customer
Break-Even Guarantee	Yes, calculated 6/30/2022	NA	Yes, calculated 6/30/2022

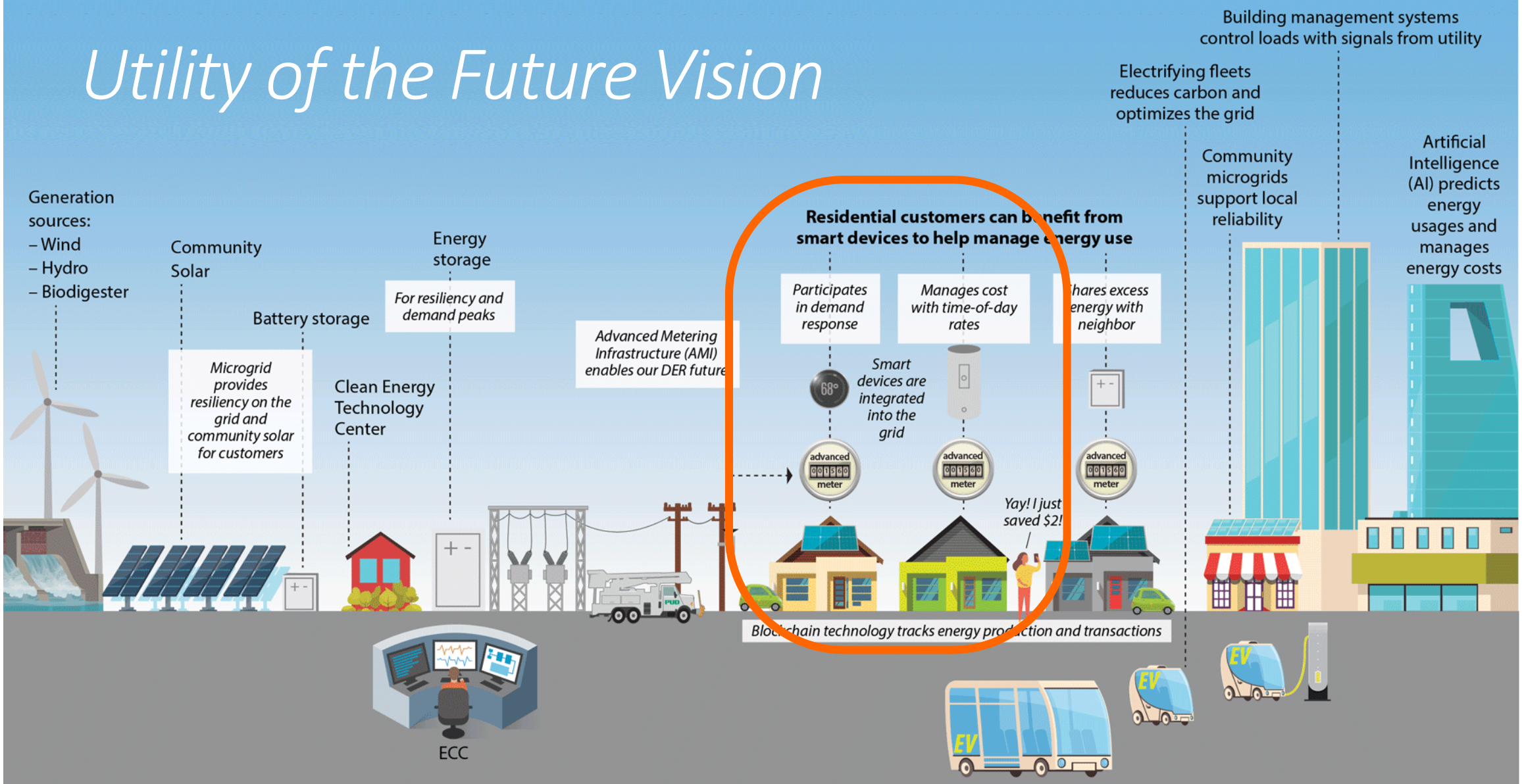
Pilot Details

	FlexTime	FlexResponse	FlexPeak
Customer Appeal	‘Set it and forget it’ 20% Discount rate and hours available year-round, peak rate limited to winter	Limited customer disruption Bill credits ensure financial gain	Limited customer disruption 10% Discount rate available year-round, peak rate limited to winter





Utility of the Future Vision

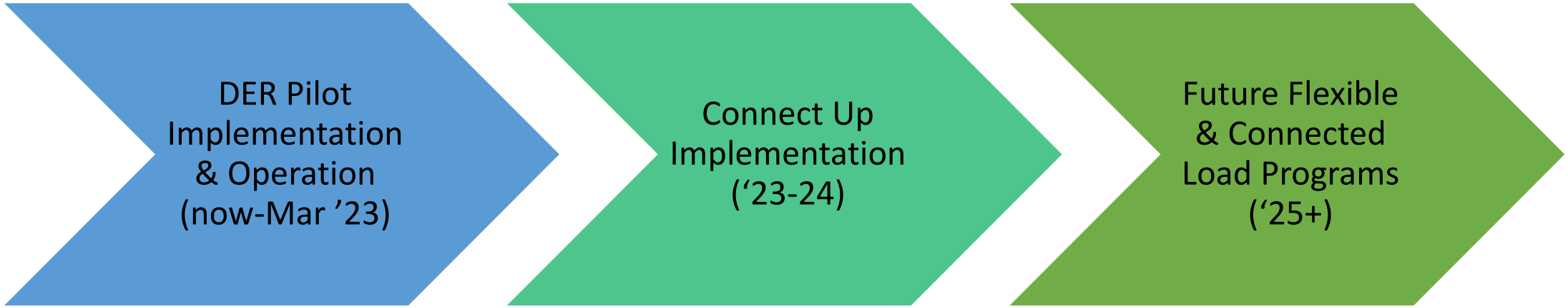


What do DERs mean for our customers?

SNOHOMISH COUNTY PUD
PUBLIC UTILITY DISTRICT NO. 1

Preparing Today for the Utility of the Future

- The future of the grid is *now*.
- We are preparing to be the utility our customers need in the future, by taking intentional steps today.



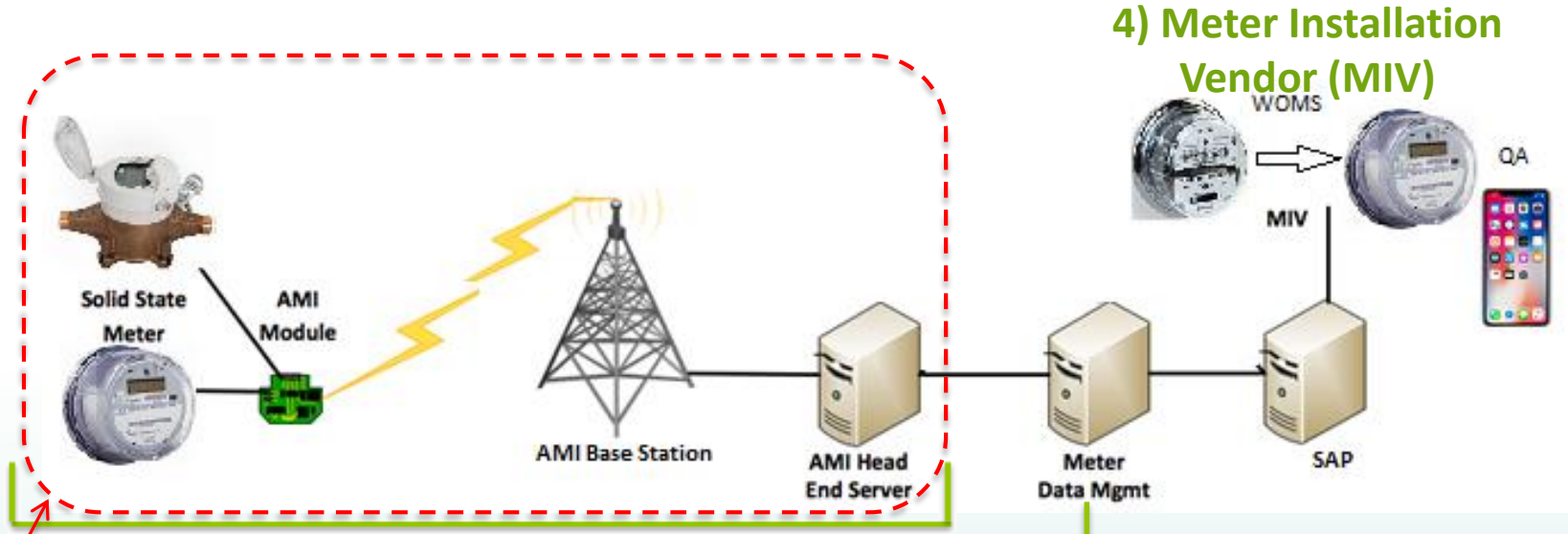
Procurement of Advanced Metering Infrastructure (AMI) Equipment and Services

Presentation to Recommend Authorization of Sensus USA Inc. as the District's AMI Vendor

Jeff Colon, Connect Up Program

May 4, 2021

Four Agreements Needed To Implement AMI



AMI Vendor Agreement Includes:

- AMI Electric Meters & Water Meters
- AMI Network hardware consisting of base stations and antennas
- Professional Services for designing, building, deploying, and testing the AMI network
- Software for managing and monitoring the AMI meters and AMI Network
- Secure cloud-hosting for meter and network data, and disaster recovery
- Managed Services for remote monitoring and management of network communications and network hardware.

Electric Meters

Water Meters & Modules

Remote Telemetry Modules

AMI Base Stations

(Updated from Connect Up Commission Update 3/23/2021)

Timeline - AMI Vendor Selection

9/8/2020	RFP Issued for AMI Technology and Services
10/20/2020	Six proposals received
11/6/2020	Two vendors eliminated
12/11/2020	Two vendors shortlisted: Sensus and Itron
1/6/2021	Best and Final Offers Received from Sensus & Itron
1/19/2021	Sensus USA Inc. Selected as AMI Vendor Finalist
4/19/2021	Complete Contract Negotiations with Sensus

Sensus AMI Agreement – Two Components

- AMI Equipment and Services Agreement (4 year term)
  - Includes meters, network equipment, head end system, and professional services for installing and testing the AMI network.
- AMI Managed Services Agreement (5.5 year term)
  - Includes Secure Cloud-Hosting for Meter and Network Data, Disaster Recovery, and
  - Managed Services for remote monitoring and management of network communications and network hardware.

Sensus AMI Agreement Costs

Agreement	Cost
Equipment and Services Agreement (4 yr.)	$ 42,652,894
Managed Services Agreement (5.5 yr.)	$ 2,910,139
Total	**$ 45,563,033**

- Equipment and Services Agreement includes $1,779,916 in performance-based holdbacks.
- Managed Services Agreement includes $267,000 in performance-based fees during initial 5.5 year term.
- Managed Services Agreement is renewable every 5-years.

Recommendation to Authorize Agreements

The Connect Up Program Team recommends authorization of Sensus USA Inc. as the District's AMI Vendor based on:

- Lowest 20-year total cost of ownership
- Best overall solution to serve the District's needs for
  - Electric Utility Advanced Metering Infrastructure
  - Water Utility Advanced Metering Infrastructure
  - Distribution Automation Network Infrastructure
- Provides a secure, robust private network on an FCC-licensed spectrum with the least number of network devices.

Next Steps

- Resolution for Board consideration at the May 18th meeting, authorizing the General Manager or his designee to execute two agreements with Sensus USA Inc.;
  - Sensus Equipment and Services Agreement for a pre-tax not-to-exceed amount of $42,652,894
  - Sensus Managed Services Agreement for an estimated pre-tax amount of $2,910,139

Questions?

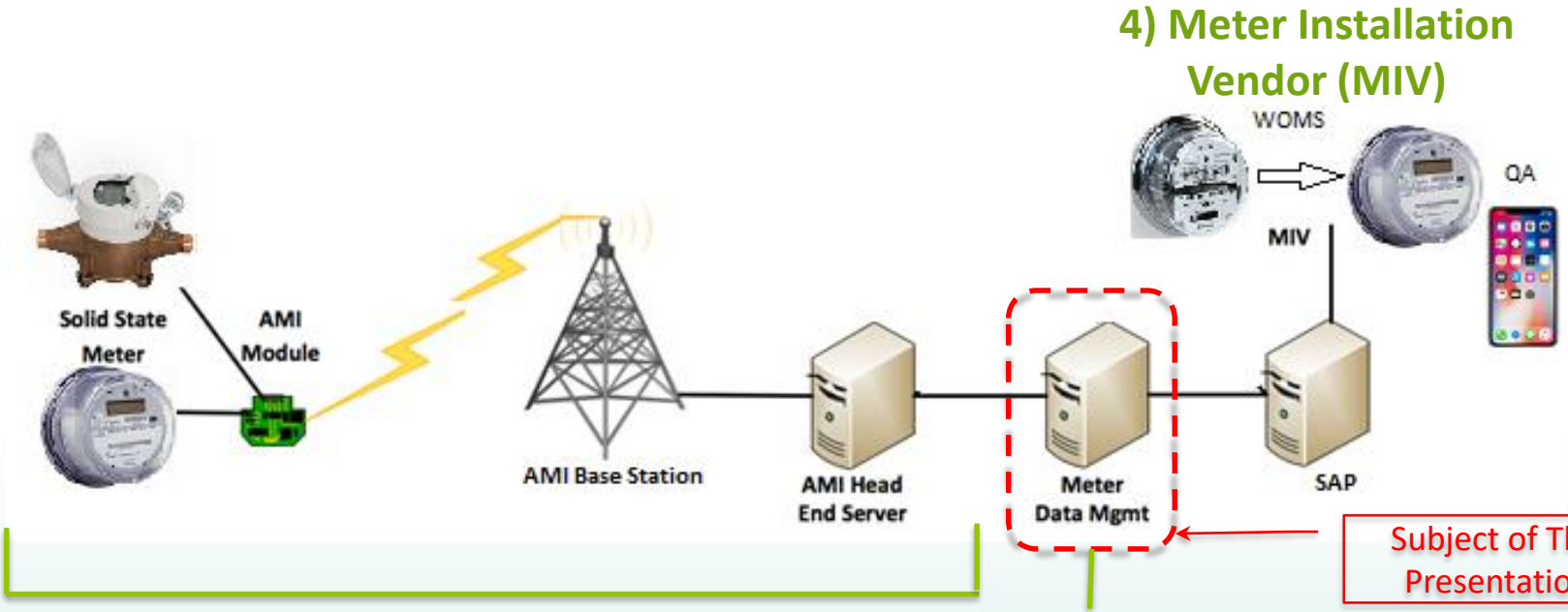
Procurement of Advanced Metering Infrastructure (AMI) Meter Data Management System (MDMS) Software and Implementation Services

Doris Payne, Connect Up Program
May 4, 2021

Meter Data Management System (MDMS) Project Commission Presentation Review

- Vendor Selection Process
- Proposal Summary
- Results of Vendor Evaluations and Key Reasons for Selection
- Contract Negotiation Process
- Proposed Contract Scope, Cost, Timeline

Four Agreements Needed to Implement AMI



MDMS Vendor Selection

- RFP published October 2020
  - 8 bidders submitted proposals
- District-wide team assembled to evaluate proposals
  - IT
  - AMI Technologies
  - Customer & Energy Services
  - D&E
  - Finance
  - Z2 Solutions

Proposal Summary

- Minimum Requirements:
  - 2+ recent US/Canada implementations
  - SAP certified AMI integration in production demonstrating District critical requirements
- 3 proposals met minimum requirements and advanced to shortlist presentations:
  - Itron, Siemens Advanta and TRC

Vendor	MDMS Proposed	Minimum Requirements Met?
Awesense	No	N/A
Itron	Yes - Itron Enterprise Edition	Yes
Landis+Gyr	Yes – Landis+Gyr MDMS	Did not demonstrate certified SAP integrations for both electric/water in production.
MCG Energy	No	N/A
Quantitative	No	N/A
Siemens Advanta	Yes – Siemens Energy IP (EIP)	Yes
TRC Engineers	Yes – Siemens Energy IP (EIP)	Yes
Utegration	Yes – MeterData4U	Did not demonstrate referenceable production customer

MDMS Vendor Evaluation Results & Key Selection Reasons

- Shortlist Presentation Results:
  - Itron was removed from consideration
  - Siemens Advanta and TRC Engineers to submit a Best and Final Offer (BAFO)
- BAFO Results:
  - Evaluation team unanimously determined TRC Engineers is best strategic fit
  - Energy IP (EIP) met all key software technical requirements:
    - Certified SAP Integration for all critical District requirements
    - Experience integrating with the Sensus USA AMI Head End System (HES)
    - Wide use by electric & water utilities: Tacoma Public Utilities, Consolidated Edison, CPS Energy, Huntsville
  - TRC demonstrated stronger implementation team with a deeper bench strength
  - TRC demonstrated stronger Managed Software as a Service (MSaaS) U.S. presence
  - TRC service level objectives best met District service requirements
  - TRC BAFO 10-year costs were estimated to be 17% lower than Siemens Advanta

MDMS Contract Negotiation Process

- A subset of the evaluation team entered into contract negotiations with TRC.
- Four contracts with four different parties are required to completely meet requirements:
  - TRC Implementation Contract covers one-time implementation scope
  - Siemens EIP Software Contract covers one-time software license and ongoing maintenance
  - Oracle Software Contract covers one-time software license and ongoing maintenance
  - TRC Managed Software as a Service Contract (MSaaS) scope covers ongoing support
- TRC MSaaS contract
  - Negotiations are nearly complete.
  - Anticipate bringing this back to Commission in June.
- To ensure timely start of Connect Up design, current request is Commission approval of the TRC Implementation, Siemens EIP Software and Oracle Software contracts.

MDMS Proposed Contract Scope and Timeline

The TRC Implementation scope includes:

- Set up MDMS solution, including test, Quality Assurance, production & disaster recovery
- Configure solution per District requirements
- Test solution per District quality criteria and provide training to District staff
- Perform and support District in cutover to production solution
- Provide heightened support during first couple of months after go-live

MDMS Contract Costs

Contract	Cost (w/o tax)
TRC Implementation	$2,693,924.00
Siemens EIP Software & Maintenance through 2027	$1,287,598.80
Oracle Software and Maintenance through 2027	$1,599,712.30
Total	$5,581,236.10

- The total award of the 3 contracts is $5,581,236.10

Questions?

BUSINESS OF THE COMMISSION

Meeting Date: May 4, 2021 **Agenda Item:** 2A

TITLE

Employee of the Month for May 2021 – Jeff Feinberg

SUBMITTED FOR: Recognition/Declarations

Human Resources	Traci Brumbaugh	8531
Department	*Contact*	*Extension*

Date of Previous Briefing: _____

Estimated Expenditure: _____ Presentation Planned ☒

ACTION REQUIRED:

☐ Decision Preparation
- ☐ Policy Discussion
- ☐ Policy Decision
- ☐ Statutory

☒ Incidental (Information)

☐ Monitoring Report

SUMMARY STATEMENT:

Identify the relevant Board policies and impacts:

The May 2021 Employee of the Month is Jeff Feinberg, Manager, Energy Services.

Jeff began his career with the PUD in October of 2016, as a Customer Service Representative.

In 2017, he transferred to the Customer Experience Call Center. Jeff was promoted to Manager, Customer Service Front Line in February of 2018. From 2018 to 2020 he served as a Manager in several areas within Customer and Energy Services.

In April 2021, he became Manager, Energy Services which is the title he continues to hold today.

Jeff will be presented by his colleague Sheri Miller, Assistant Energy Program Manager and Pam Baley, Assistant General Manager Customer and Energy Services.

List Attachments:

Employee Profile

Jeff Feinberg is the May 2021 Employee of the Month

Please join us in congratulating the May 2021 Employee of the Month, Jeff Feinberg, Manager, Energy Services.

Jeff began his career with the PUD in October of 2016, as a Customer Service Representative. Jeff was promoted to Manager, Customer Service Front Line in February of 2018. From 2018 to 2020, he served as a Manager in several areas within Customer and Energy Services.

Jeff is currently Manager, Energy Services. In this role, Jeff manages the Program Delivery team in Energy Services. The Program Delivery team is made up of Program Managers, Engineers, Consultants, Office Coordinators, Analysts, and Administrative Assistants that lead many of the District's Energy Efficiency and Energy Services customer facing programs. Their focus is helping the District maintain compliance with conservation requirements and balance the resource portfolio, while helping customers manage their consumption and improve the comfort of their home/business.

Jeff also leads the District's Income Qualified and Community Assistance programs and works with teams to ensure that the most vulnerable customers are supported and have access to District programs and bill assistance when needed.

Jeff was nominated by three of his employees: Sheri Miller, Customer and Energy Services Program Manager, Carolyn Beebe, Customer and Energy Services Program Manager, and Linda Bardell, Executive Assistant. In each of their nomination forms they highlighted Jeff's commitment to communication, positive and supportive attitude, and willingness to make himself available to provide support whenever he is needed.

"Jeff exemplifies excellent leadership skills, embracing a servant leader approach to supporting his team. His positive attitude, caring to ensure everyone has a voice at the table , and ability to cultivate a supportive and collaborative work environment are all attributes that we want our managers across the District to embody," said Pam Baley, AGM Customer and Energy Services. "I'm incredibly proud of Jeff and his leadership on our team. He has been instrumental in our income qualified and community programs to provide excellent customer service and lead our teams to increase opportunities for all of our customers to conserve energy."

The Energy Services department has undergone numerous transitions in the last few years, including having four AGMs in two years. Jeff has been a steady, positive force during a time of many changes.

"Jeff has managed the re-org in Energy Services with grace, sensitivity, and always being available," said Sheri.

"Jeff has done a lot of work on the re-organization and people seem to be thriving on feeling like an important part of the team," said Linda. "I do, and I'm not even a part of his team. I feel like I have a voice."

Jeff has also kept a high level of communication and positivity during the COVID-19 pandemic. His efforts to bring his team together while they were apart were recognized by all of his nominators.

“He has created a daily report-out with enjoyable to answer questions and supported everyone to successfully move all of us to working remotely,” said Sheri. “It's a pleasure to work with him and a refreshing change.”

“Jeff has been amazing during our time working from home,” said Carolyn. “He communicates with the whole team daily. Not only does he check on our workload, but he also asks how we and our loved ones are doing physically and mentally, in a sincere way. He offers daily support with anything from computer issues to sending inspirational messages.”

“He has offered to go to the office to pick-up and deliver our work chairs to our homes with his own vehicle. He even said we could meet at a neutral location. Jeff is hosting regular Skype meetings with our team to make sure we are all aware of each other's work and to provide social interaction. He even invited us to a concert his wife did through Facebook to entertain us at home.”

The key to Jeff’s success seems to be his ability to always be available to listen and support his staff.

“Jeff is VERY approachable even when you can see he's in the middle of doing something,” said Linda.

“Jeff is always willing to receive all communication that needs to happen and is not burdened by lots of emails or conversations,” said Sheri. “He is willing to do whatever it takes for success and team productivity. During these virus times he has risen to the challenge and done a beautiful job with his management style.”

“His easy but hard-working demeanor provides a safe place to bring concerns or issues in a way that will be resolved. He is able to work in the detail while holding the great focus and steering our department towards its goals. He is very willing to work with us to understand the best way and amount he can communicate with us most effectively.”

But Jeff’s caring spirit goes beyond the walls of the PUD. In his role managing the District’s Income Qualified program, Jeff’s kind demeanor and hard work have resulted in positive outcomes for the communities that we serve.

“Jeff is always thinking of ways our team can help support those who are most vulnerable in our community,” said Carolyn. “Jeff has approved sending energy efficiency products to food banks so our shared customers can save energy at home. He has done a great job with expanding the income qualified program and making it easier for customers to participate.”

Jeff was born in small town on the Mississippi Gulf Coast near Pascagoula. After college, Jeff attended graduate school in Colorado where he enjoyed mountain living for five years, until eventually moving to Washington in 2007 to marry his wife.

As the parent of two elementary age children, he spends much of his time outside of work chasing his children around and sharing their interests, whether its building bunk beds for American Girl dolls or shooting Beyblades. He also enjoys snowboarding, surfing, canoeing with his family to Jetty Island, cooking, playing softball, watching baseball, and listening to live music (including his wife's bands Tellers and Sylvi).

Jeff's willingness to be available, his care for his colleagues and employees, and his work ethic are manifestations of his dedication to serving others and his community.

"I really love my team and our work," said Jeff. "I feel really lucky to be surrounded by so many talented professionals and love that my job is really just about supporting them, removing obstacles, and building our culture. Our work in Energy Services and Income Qualified Assistance is aligned so well with my values, that it's easy and a lot of fun to come to work."

COMMENTS FROM THE PUBLIC

AT PLACES
AGENDA ITEM NO. 04.00

BUSINESS OF THE COMMISSION

Meeting Date: May 4, 2021 **Agenda Item:** 4A

TITLE

Approval of the Minutes for the Regular Meeting of April 20, 2021

SUBMITTED FOR: Consent Agenda

Commission	Melissa Collins	8616
Department	*Contact*	*Extension*

Date of Previous Briefing:

Estimated Expenditure: Presentation Planned ☐

ACTION REQUIRED:

☐ Decision Preparation
- ☐ Policy Discussion
- ☐ Policy Decision
- ☒ Statutory

☐ Incidental (Information)

☐ Monitoring Report

SUMMARY STATEMENT:

Identify the relevant Board policies and impacts:

Governance Process, Board Job Description: GP-3(4) ... a non-delegable, statutorily assigned Board duty as defined under RCW 54.12.090 - minutes.

List Attachments:
Preliminary Minutes

PRELIMINARY
SNOHOMISH COUNTY PUBLIC UTILITY DISTRICT

Regular Meeting **April 20, 2021**

The Regular Meeting, held virtually, was convened by President Sidney Logan at 9:00 a.m. Those attending were Rebecca Wolfe, Vice President; Tanya Olson, Secretary; CEO/General Manager John Haarlow; Acting General Counsel Shawn Aronow; Assistant General Managers Pam Baley, Guy Payne, Brant Wood, and Jason Zyskowski; Chief Financial Officer Scott Jones; Chief Information Officer Dean Galvez; other District staff; Commission and Executive Services Director Melissa Collins; Assistant Clerk of the Board Allison Morrison; and Deputy Clerks of the Board Jenny Rich and Lela Wall.

*** Items Taken Out of Order**
****Non-Agenda Items**

**Commissioner Logan read the following statement:

In accordance with the governor's Proclamation 20-28.15, we are holding meetings remotely.

1. CEO/GENERAL MANAGER BRIEFING AND STUDY SESSION

A. Updates

*1. Community Engagement. Communications and Marketing Representative Laura Zorick shared the District's Earth Day activities that promoted education.

*2. Legislative. State Government and External Affairs Associate Clark McIsaac provided an update on the State Legislative session and discussed bills of interest to the District.

3. Other. There were no other topics.

B. 2020 Audit Results Public Utility District No. 1 of Snohomish County

Senior Manager Controller and Auditor Julia Anderson introduced Olga Darlington, with the public accounting firm of Moss Adams, who presented the 2020 financial fiscal year audit results for the District.

Performed in accordance with the Government Auditing Standards, the audit report dated April 2, 2021, found no material weaknesses in internal control.

C. Puget Sound Energy (PSE) Master License Agreement

Manager Joint Use and Permits Moe Matthews presented information on a Master License Agreement (MLA) with Puget Sound Energy (PSE) to allow PSE macro wireless attachments that were added under an MLA expiring on April 23, 2021.

Next step was Board consideration of a resolution at the afternoon session on April 20, 2021, authoring the new MLA.

D. Update on Qualco Community Project

Manager Generation Engineering Scott Spahr and Senior Utility Analyst Adam Cornelius provided an update on the Qualco Bio-Digester project and a proposed agreement that would expand electric generation to use additional biogas that Qualco was already producing.

Next steps for the May 4, 2021, Commission meeting included a resolution for approval of the lease/operating agreement with Gas Price attachment and a Request for Proposal (RFP) for Combined Heat & Power package for approval in the Consent Agenda. The permitting and construction phase of the project would follow approval of the lease agreement.

Darryl Williams, with the Tulalip Tribes, spoke about the strong support the project received from the community, local government, and the District.

E. Northwest Power Pool Transmission Planning Committee

Senior Manager Transmission Management/NERC Compliance Officer John Martinsen and Assistant General Counsel Jeff Kallstrom provided the background and benefits of the Northwest Power Pool (NWPP).

Next step would be to bring a resolution for Board approval at the May 4, 2021, Commission meeting , ratifying the following: the District's NWPP Membership; execution of the NWPP Agreement and associated amendments; and payment of past and current invoices, through December 31, 2021.

The meeting recessed at 10:57 a.m. and reconvened at 11:05 a.m.

F. Energy Risk Management Report – 1st Quarter 2021

Senior Manager Rates, Economics & Energy Risk Management Brian Booth and Senior Rate Analyst Peter Dauenhauer provided an overview of the 1st Quarter of 2021 that included Supply, Demand, Market Prices, Peak Week Demand, Forecast Errors Over Time, and Forward Prices.

The Credit Limit Analysis, Financial Load Resource Imbalance Test, and Price Volatility Test had no violations during the quarter. New information included for this quarter was the Credit Limit Analysis Current Exposure and Potential Exposure.

At 11:24 a.m., Commissioner Logan left the meeting.

G. Water Supply Update

Short-Term Power Trader Mike Shapley provided a presentation on the Water Year 2021 (WY'21) that began on October 1, 2020. Highlights included the District energy portfolio mix; WY'21: forecast and actuals; weather forecast and El Niño/Southern Oscillation (ENSO) updates; WY'21: Hydro generation update, Bonneville Power Administration (BPA) Slice and District owned resources; load resource balance; and summary.

The meeting recessed at 11:57 a.m.

RECONVENE REGULAR MEETING

The Regular Meeting, held virtually, was reconvened by President Sidney Logan at 1:30 p.m. Those attending were Rebecca Wolfe, Vice-President; Tanya Olson, Secretary; CEO/General Manager John Haarlow; Acting General Counsel Shawn Aronow; Assistant General Managers Pam Baley, Guy Payne, Brant Wood, and Jason Zyskowski; Chief Information Officer Dean Galvez; Chief Financial Officer Scott Jones; other District staff; members of the public; Commission & Executive Services Director Melissa Collins; Assistant Clerk of the Board Allison Morrison; and Deputy Clerks of the Board Jenny Rich and Lela Wall.

*** Items Taken Out of Order**
****Non-Agenda Items**

**Commissioner Logan read the following statement:

In accordance with the governor's Proclamation 20-28.15, we are holding meetings remotely.

1. CEO/GENERAL MANAGER BRIEFING AND STUDY SESSION – Continued

H. Connect Up Meter Deployment

Connect Up Program Manager Mark Flury and Human Resources Director Allison Jubb provided an overview and update on the strategy and benefits around the electric and water meter exchanges planned for 2023 through 2024.

The proposed next steps included a closed session on the conceptual framework for any future Letters of Agreement (LOAs) with the International Brotherhood of Electrical Workers (IBEW); moving forward with the process to obtain occupancy permits for the 75th Business Center building (s) and retrofitting the space for meter storage; planning on organization structure and timing of hires; engaging in planning with community workforce development partners; developing training programs for installers and call center personnel in concert with the IBEW; developing meter deployment business processes; and advertising the meter installation vender Request for Proposal (RFP) with reduced Scope of Work.

Mr. Flury responded to Board questions regarding pricing and mentioned that more updates on pricing could be provided during the May 4, 2021, Commission meeting when additional information regarding vendor selection for the Advanced Metering Infrastructure (AMI) network and meters would be brought to the Board.

2. COMMENTS FROM THE PUBLIC

Gayla Shoemake, commented on the Connect Up presentations and mentioned celebrating Earth Day.

3. CONSENT AGENDA

A. Approval of the Minutes for the Regular Meeting of April 6, 2021

B. Bid Awards, Professional Services Contracts and Amendments

Public Works Contract Award Recommendations Over $25,000:
Request for Proposal No. 20-1094-KS with T. Bailey, Inc.
Request for Proposal No. 20-1113-KS with R. C. Zeigler Company, Inc.
Request for Proposal No. 21-1138-KS with Trimaxx Construction, Inc.
Request for Proposal No. 21-1152-BI with kemp West, Inc.
Formal Bid Award Recommendations $120,000 and Over:
Request for Quotation No. 21-1139-CS with Gore Electric proposing Myers Power Products, Inc.
Professional Services Contract Award Recommendations $200,000 and Over:
Professional Services Contract No. CW2243880 with Orrick Herrington & Sutcliffe LLP
Miscellaneous Contract Award Recommendations $200,000 and Over:
None
Cooperative Purchase Recommendations:
Contracts:
None
Amendments:
None
Sole Source Purchase Recommendations:
None
Emergency Declarations, Purchases and Public Works Contracts:
None
Purchases Involving Special Facilities or Market Condition Recommendations:
None
Formal Bid and Contract Amendments:
Miscellaneous Contract No. CW2237176 with AtWork Commercial Enterprises, LLC
Contract Acceptance Recommendations:
Public Works Contract No. CW2241391 with Interwest Construction, Inc.

C. Consideration of Certification/Ratification and Approval of District Checks and Vouchers

A motion passed approving Agenda Items 3A – Approval of the Minutes for the Regular Meeting of April 6, 2021; 3B – Bid Awards, Professional Services Contracts and Amendments; and 3C – Certification/Ratification and Approval of District Checks and Vouchers. Commissioner Wolfe abstained.

4. ITEMS FOR INDIVIDUAL CONSIDERATION

A. Consideration of a Resolution Authorizing the Assistant General Manager, Distribution and Engineering Services, of Public Utility District No. l of Snohomish County to Execute a Master License Agreement with Puget Sound Energy, Inc., Establishing Terms and Conditions Regarding the Licensing of Wireless Communication Facilities on District Property

A motion unanimously passed approving Resolution No. 6006 authorizing the Assistant General Manager, Distribution and Engineering Services, of Public Utility District No. l of Snohomish County to execute a Master License Agreement with Puget Sound Energy, Inc., establishing terms and conditions regarding the licensing of wireless communication facilities on District property.

5. CEO/GENERAL MANAGER REPORT

CEO/General Manager John Haarlow reported on District related topics and accomplishments.

Mr. Haarlow and Commissioner Logan reported on Governor Jay Inslee's tour of the District's Arlington Microgrid.

6. COMMISSION BUSINESS

A. Commission Reports

There were no Commission reports.

B. Commissioner Event Calendar

There were no changes to the Commissioner Event Calendar.

C. 2021 Budget, Forecast, and Major Project Status Report – First Quarter Results

There were no questions about the report.

7. GOVERANCE PLANNING

A. Governance Planning Calendar

There were no changes to the Governance Planning Calendar.

ADJOURNMENT

There being no further business or discussion to come before the Board, the Regular Meeting of April 20, 2021, adjourned at 3:00 p.m. An audio file of the meeting is on file in the Commission Office and available for review.

Approved this 4th day of May 2021.

Secretary

President

Vice President

BUSINESS OF THE COMMISSION

Meeting Date: May 4, 2021 **Agenda Item:** 4B

TITLE

CEO/General Manager's Report of Public Works Contract Award Recommendations; Formal Bid Award Recommendations; Professional Services Contract Award Recommendations; Miscellaneous Contract Award Recommendations; Cooperative Purchase Recommendations; Sole Source Purchase Recommendations; Emergency Declarations, Purchases and Public Works Contracts; Purchases Involving Special Facilities or Market Condition Recommendations; Formal Bid and Contract Amendments; and Contract Acceptance Recommendations

SUBMITTED FOR: Consent Agenda

Contracts/Purchasing	Clark Langstraat	5539
Department	*Contact*	*Extension*

Date of Previous Briefing: _____

Estimated Expenditure: _____ Presentation Planned ☐

ACTION REQUIRED:

☐ Decision Preparation
- ☐ Policy Discussion
- ☐ Policy Decision
- ☒ Statutory

☐ Incidental (Information)

☐ Monitoring Report

SUMMARY STATEMENT:

Identify the relevant Board policies and impacts:
Governance Process, Board Job Description, GP-3(4) … non-delegable, statutorily assigned Board duty – Contracts and Purchasing.

The CEO/General Manager's Report of Public Works Contract Award Recommendations Over $25,000; Formal Bid Award Recommendations $120,000 and Over; Professional Services Contract Award Recommendations $200,000 and Over; Miscellaneous Contract Award Recommendations $200,000 and Over; Cooperative Purchase Recommendations; Sole Source Purchase Recommendations; Emergency Declarations, Purchases and Public Works Contracts; Purchases Involving Special Facilities or Market Condition Recommendations; Formal Bid and Contract Amendments; and Contract Acceptance Recommendations contains the following sections:

Public Works Contract Award Recommendations Over $25,000;
None

Formal Bid Award Recommendations $120,000 and Over (Page 1);
Request for Quotation No. 21-1140-CS – with Martin Energy Group, LLC

Professional Services Contract Award Recommendations $200,000 and Over;
None

Miscellaneous Contract Award Recommendations $200,000 and Over;
None

Cooperative Purchase Recommendations (Page 2);
Contracts:
Purchase Order Number 4500069311 with Altec Industries
Amendments:
None

Sole Source Purchase Recommendations;
None

Emergency Declarations, Purchases and Public Works Contracts;
None

Purchases Involving Special Facilities or Market Condition Recommendations;
None

Formal Bid and Contract Amendments (Page 3);
Professional Services Contract No. CW2229500 with University of Washington

Contract Acceptance Recommendations;
None

List Attachments:
May 4, 2021 Report

Formal Bid Award Recommendation(s) $120,000 And Over
May 4, 2021

RFQ No. 21-1140-CS
Qualco Biodigester CHP Project Rebid

No. of Bids Solicited:	3
No. of Bids Received:	3
Project Leader & Phone No.:	Scott Spahr Ext. 2641
Material Estimate:	$1,200,000.00

This acquisition of a combined heat and power (CHP) is part of the District Staff proposal to install a new generator at the Qualco Energy Corporation's powerhouse in Monroe under a Biogas Generation Facilities Sublease and Operations Agreement with Qualco that the Board will consider approving as a separate individual item. The supplier will provide the materials and equipment, start-up assistance and testing for a second biogas fueled Combined Heat and Power Plant at the Qualco Biodigester site. Plant will provide output between 800kW and 1600kW of electrical energy to be fed into the District's grid. Field installation will be by District personnel including mechanical and electrical constructors from the Generation group under the oversight of the supplier's installation supervisor.

Supplier	Subtotal (w/o tax)
Martin Energy Group, LLC	**$1,012,163.00**
NC Power Systems, Incorporated	$1,044,922.00
NC Power Systems, Incorporated	$1,189,845.00

Summary Statement: Staff recommends award to Martin Energy Group, LLC, the lowest evaluated bidder meeting the District's specification in the amount of $1,012,163.00, plus tax, contingent upon the Board's approval of the resolution authorizing the CEO/General Manager or his designee to execute the Biogas Generation Facilities Sublease and Operations Agreement.

Cooperative Purchase Recommendations
May 4, 2021

State law permits a public agency to purchase from a contract entered into by another public agency as long as the contract is determined to have been awarded in compliance with the bidding requirements of the agency seeking to make the purchase, provided that the requirement for advertising or providing notice for bids is deemed satisfied if the awarding entity advertises according to its own bidding requirements, and either (i) posts the advertisement on any website sponsored by a public agency, purchasing cooperative or similar service provider, or (ii) provides an access link on the state's web portal to the notice. District staff have verified through documentation and/or individual questions to the applicable awarding entity that the bid process used for each purchase recommended below meets the District's procurement requirements.

Accordingly, staff recommends approval of the following contracts/amendments:

A. CONTRACTS

Awarded Vendor Name: Altec Industries $2,999,994.00
Purchase Order Number 4500069311
Sourcewell 012418-ALT
Description of Purchase: Purchase of six new 50 Foot Sheave Height Digger Derrick Trucks that will be used by Distribution and Engineering Services Division. Staff evaluated the Terex and Altec vehicles available on this contract and determined that the Altec units best meet District requirements for safety and continuity of operations. The new trucks will replace existing trucks that have reached their replacement criteria.
Project Lead: Christina Brueckner, Ext. 5053

Formal Bid and Contract Amendment(s)
May 4, 2021

PSC No. CW2229500
University of Washington Data Analysis for Arlington Microgrid Project

Contractor/Consultant/Supplier:	University of Washington
Project Leader & Phone No.:	Jessica Spahr Ext. 8132
Amendment No.:	2

Original Contract Amount:	$500,000.00		
Present Contract Amount:	$500,000.00	Original Start/End:	6/1/17-6/30/20
Amendment Amount:	$10,000.00	Present Start/End:	6/1/17-6/30/21
New Contract Amount:	$510,000.00	New End Date:	12/31/21

Summary Statement: Staff recommends approval of Amendment No. 2 to increase the contract by $10,000.00 and extend the term to December 1, 2021. The additional time and amount are due to COVID-19 related delays and will allow for completion of microgrid use case testing and reporting.

Summary of Amendments:

Amendment No. 1 dated May 15, 2020 extended the contract term to June 30, 2021 due to COVID related project delays.

BUSINESS OF THE COMMISSION

Meeting Date: May 4, 2021 **Agenda Item:** 4C

TITLE:

Consideration of Certification/Ratification and Approval of District Checks and Vouchers

SUBMITTED FOR: Consent Agenda

General Accounting &Financial Systems	Julia Anderson	8027
Department	*Contact*	*Extension*

Date of Previous Briefing: _____

Estimated Expenditure: _____ Presentation Planned ☐

ACTION REQUIRED:

☐ Decision Preparation
- ☐ Policy Discussion
- ☐ Policy Decision
- ☒ Statutory

☐ Incidental (Information)

☐ Monitoring Report

SUMMARY STATEMENT:

Identify the relevant Board policies and impacts:

Governance Process, Board Job Description: GP-3(4)(B)(2)a non-delegable, statutorily assigned Board duty to approve vouchers for all warrants issued.

The attached District checks and vouchers are submitted for the Board's certification, ratification and approval.

List Attachments:

Voucher Listing

CERTIFICATION/RATIFICATION AND APPROVAL

We, the undersigned of the Public Utility District No. 1 of Snohomish County, Everett, Washington, do hereby certify that the merchandise or services hereinafter specified have been received, and the Checks or Warrants listed below are ratified/approved for payment this 4th day of May 2021.

CERTIFICATION:

Certified as correct:

CEO/General Manager

Julia A Anderson

Auditor

J. Scott Jones

Chief Financial Officer/Treasurer

RATIFIED AND APPROVED:

Board of Commissioners:

President

Vice-President

Secretary

TYPE OF DISBURSEMENT	PAYMENT REF NO.	DOLLAR AMOUNT	PAGE NO.
REVOLVING FUND			
Customer Refunds, Incentives and Other	1108937 - 1109154	$61,721.28	2 - 8
Electronic Customer Refunds		$4,148.17	9
WARRANT SUMMARY			
Warrants	8062827 - 8063070	$3,527,943.99	10 - 17
ACH	6023152 - 6023363	$3,361,924.53	18 - 24
Wires	7002146 - 7002165	$25,860,612.44	25
Payroll - Direct Deposit	5300000470 - 5300000470	$3,772,871.19	26
Payroll - Warrants	844279 - 844300	$49,976.46	26
Automatic Debit Payments	5300000469 - 5300000471	$3,446,616.14	27
	GRAND TOTAL	**$40,085,814.20**	

Revolving Fund - Customer Refunds, Incentives and Other			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
4/12/21	1108937	MARTA BLACK	$66.01
4/12/21	1108938	VOID	$0.00
4/12/21	1108939	CHARLES OSTHEIMER	$6.24
4/12/21	1108940	HEATHER HAYHURST	$187.83
4/12/21	1108941	RONALD CABE	$871.74
4/12/21	1108942	VOID	$0.00
4/12/21	1108943	STANDARD DE LA ROSA VENTURE, L.P.	$132.90
4/12/21	1108944	MATTHEW HAVNER	$47.34
4/12/21	1108945	TITAN HOMES	$384.29
4/12/21	1108946	DAVID PENNINGTON	$289.31
4/12/21	1108947	NATHAN DALY	$43.31
4/12/21	1108948	ANNEMARIE MARCUS	$3,836.27
4/13/21	1108949	KEVIN DAY	$30.36
4/13/21	1108950	PATRICE KUERSCHNER	$73.45
4/13/21	1108951	CHENGKAI LAI	$32.34
4/13/21	1108952	JON LIE	$283.58
4/13/21	1108953	BALANCE BOUTIQUE LLC	$314.12
4/13/21	1108954	TIFFANI PALPONG	$96.68
4/13/21	1108955	MURLO RALSTON	$4.21
4/13/21	1108956	AMELIA SARGENT	$103.41
4/13/21	1108957	KARLEIGH CROSS	$217.18
4/13/21	1108958	DOUGLAS MCANALLY	$138.03
4/13/21	1108959	ALANA MCGHEE	$41.71
4/13/21	1108960	ELIZABETH WYATT	$65.78
4/13/21	1108961	JAMES WALTERS	$7.24
4/13/21	1108962	3408 RUCKER AVE LLC	$273.38
4/13/21	1108963	BETTY FRYBERG	$47.61
4/13/21	1108964	NISHANTH CHAKRAPANI	$18.97
4/13/21	1108965	VOID	$0.00
4/13/21	1108966	WARM BEACH CHRISTIAN CAMP	$310.62
4/13/21	1108967	JENNA GALVAN	$115.44
4/13/21	1108968	ANTHONY TRANDEM	$95.92

Revolving Fund - Customer Refunds, Incentives and Other			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
4/13/21	1108969	ARE-SEATTLE NO.38, LLC	$8,621.19
4/13/21	1108970	LENNAR NORTHWEST INC	$132.52
4/13/21	1108971	JOSEPH ZLAB	$344.18
4/13/21	1108972	JANE GORDON	$177.58
4/14/21	1108973	RICHARD SIMPSON	$90.08
4/14/21	1108974	SCG ATLAS ORCHARD RIDGE LLC	$28.10
4/14/21	1108975	STANDARD DE LA ROSA VENTURE, L.P.	$10.53
4/14/21	1108976	MERCY PROPERTIES WASHINGTON III LLC	$138.54
4/14/21	1108977	SHOPPING CENTER PROPERTIES	$191.75
4/14/21	1108978	SELECT AIR SERVICES INC	$73.12
4/14/21	1108979	DEAL ENTERPRISES	$24.32
4/14/21	1108980	EVAN JESTER	$32.88
4/14/21	1108981	III VAN MCKENNY	$3,878.29
4/14/21	1108982	ACME HOMES LLC	$126.44
4/14/21	1108983	JAMES FISHER	$5.76
4/14/21	1108984	MYND MANAGEMENT INC	$140.19
4/14/21	1108985	SALLY GREENE	$31.00
4/14/21	1108986	KAREN MELANG	$1,115.79
4/14/21	1108987	LAURA BOWE	$27.40
4/15/21	1108988	FERDINAND MARCOS	$598.48
4/15/21	1108989	MARIA REYMUNDO GERONIMO	$155.06
4/15/21	1108990	THE LOTUS THERAPY LLC	$142.93
4/15/21	1108991	SAGW LLC	$33.75
4/15/21	1108992	HANYUAN CHI	$113.56
4/15/21	1108993	DAVID WALKER	$18.08
4/15/21	1108994	GENERAL GROWTH PROPERTIES	$71.47
4/15/21	1108995	ROSA MESTAS	$345.15
4/15/21	1108996	GENERAL GROWTH PROPERTIES	$39.99
4/15/21	1108997	JACOB NAWAS	$12.34
4/15/21	1108998	ALDERWOOD HEIGHTS APTS	$81.56
4/15/21	1108999	SOLOMON SCHWARTZ	$10.90
4/15/21	1109000	KATIA MIGUEL	$129.79

Revolving Fund - Customer Refunds, Incentives and Other			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
4/15/21	1109001	OCEAN 4 FUN LLC	$64.73
4/16/21	1109002	ALOMA HARTSELL	$136.06
4/16/21	1109003	SHOPPING CENTER PROPERTIES	$50.61
4/16/21	1109004	STACIEE KING	$92.64
4/16/21	1109005	ALEXANDER COOK	$70.04
4/16/21	1109006	CHANE HERRING	$63.35
4/16/21	1109007	DONNELL MOSES	$27.13
4/16/21	1109008	MARY LOU MARQUARDT	$24.66
4/16/21	1109009	MAHMOUD KALANTARIA	$126.49
4/16/21	1109010	DAN NAULT	$14.47
4/16/21	1109011	GLORIA HOPLAND	$51.19
4/16/21	1109012	ADAM SANCHEZ	$138.33
4/16/21	1109013	PRCP-EVERETT,LLC	$24.55
4/16/21	1109014	CRAIG LUNDVALL	$855.08
4/16/21	1109015	JOHN BEAL	$28.34
4/16/21	1109016	HEATHER HAAKE	$11.40
4/16/21	1109017	ASHLEIGH JOHNSON	$194.82
4/16/21	1109018	JIE CHONG	$72.78
4/16/21	1109019	ACME HOMES LLC	$16.43
4/16/21	1109020	MATTHEW SCHILLING	$103.16
4/19/21	1109021	HIDDEN CREEK HOME OWNERS ASSN	$106.91
4/19/21	1109022	DENISE LOKKEN	$47.98
4/19/21	1109023	ANATOLIY PAKRHOMENKO	$659.99
4/19/21	1109024	STEVEN DEVINE	$200.00
4/19/21	1109025	WALTER BOWE	$25.10
4/19/21	1109026	JESSICA HETLAND	$358.55
4/19/21	1109027	ALDERWOOD LAND COMPANY LLC	$78.16
4/19/21	1109028	WILLIAM GOODMAN	$55.68
4/20/21	1109029	ALLEN CREEK	$267.49
4/20/21	1109030	GREGORY HOWARD	$37.08
4/20/21	1109031	RAYMOND MILLER	$19.62
4/20/21	1109032	JIM LAHTI	$62.65

Revolving Fund - Customer Refunds, Incentives and Other			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
4/20/21	1109033	HIDDEN CREEK HOME OWNERS ASSN	$99.74
4/20/21	1109034	DANIEL MANDUJANO	$127.92
4/20/21	1109035	JAMIE ACHESON	$108.91
4/20/21	1109036	DEANNA WELLS	$15.67
4/20/21	1109037	BELLE AME BEAUTY LLC	$51.79
4/20/21	1109038	KATHY PAPAC	$120.00
4/20/21	1109039	RICHMOND AMERICAN HOMES OF WA INC	$17.05
4/20/21	1109040	RICHMOND AMERICAN HOMES OF WA INC	$67.41
4/20/21	1109041	ROBERT HAMM	$94.68
4/20/21	1109042	LAETITIA TEETER	$51.07
4/20/21	1109043	ARE-SEATTLE NO.38, LLC	$8,234.47
4/20/21	1109044	RICHMOND AMERICAN HOMES OF WA INC	$30.05
4/20/21	1109045	SSHI LLC	$7.68
4/20/21	1109046	LENNAR NORTHWEST INC	$36.40
4/20/21	1109047	KEN LAU	$49.71
4/20/21	1109048	DOMINICK LEMA CAMUENDO	$73.89
4/20/21	1109049	ROBINETT BROTHERS LLC	$163.19
4/20/21	1109050	STEPHEN NELSON	$185.54
4/20/21	1109051	HIDDEN CREEK HOME OWNERS ASSN	$16.86
4/20/21	1109052	SHANNON SANDFORD	$29.40
4/20/21	1109053	RONALD GRIFFIN	$281.91
4/20/21	1109054	JEANETTE ALLEN	$2,007.73
4/20/21	1109055	STILLAGUAMISH TRIBE	$96.07
4/20/21	1109056	GEORGE VRANEY	$18.48
4/20/21	1109057	MOGES GIRMAY	$1,563.62
4/20/21	1109058	GERALD BROWN	$153.30
4/20/21	1109059	SERENE LLC	$6.18
4/20/21	1109060	TEXAS ALLIANCE GROUP INC	$879.59
4/20/21	1109061	MICHAEL NYGARD	$87.95
4/20/21	1109062	SEQUOIA MOLNICK	$91.73
4/20/21	1109063	KIMBERLY SKADAN	$162.41
4/20/21	1109064	HIDDEN CREEK HOME OWNERS ASSN	$42.33

Revolving Fund - Customer Refunds, Incentives and Other			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
4/21/21	1109065	EMERALD CITY PIZZA LLC	$176.71
4/21/21	1109066	DIANE MILLER	$31.30
4/21/21	1109067	BREEANNA CHANEY	$125.24
4/21/21	1109068	VINCENT BALDRIDGE	$193.26
4/21/21	1109069	KONG HUYNH	$19.75
4/21/21	1109070	WANDA MARBERG	$33.79
4/21/21	1109071	RICHARD BROWN	$2,529.89
4/21/21	1109072	CANDACE RAMIREZ	$500.00
4/21/21	1109073	GEON BAE	$78.34
4/21/21	1109074	BRET NIEBRUEGGE	$318.50
4/21/21	1109075	KALLIOPE JOY	$123.23
4/21/21	1109076	CHAIS HEASTON	$77.14
4/21/21	1109077	BLAKE CLARK	$95.29
4/21/21	1109078	EXXEL PACIFIC INC	$570.33
4/21/21	1109079	NATSUKO IKENO	$6.62
4/21/21	1109080	DALE CREAGER	$103.23
4/21/21	1109081	ROGER VATER	$42.34
4/21/21	1109082	SHELBY MITCHELL	$13.57
4/21/21	1109083	PILCHUCK RIDGE PARTNERS LLC	$19.40
4/21/21	1109084	ANDREW SAUTER	$105.71
4/21/21	1109085	SIMONE ROCKWELL	$215.00
4/21/21	1109086	MICHAEL BURNHAM	$476.09
4/21/21	1109087	GAY HAWKINS	$340.55
4/21/21	1109088	DMYTRO KUKHARCHUK	$178.47
4/21/21	1109089	JILL TROY	$100.00
4/21/21	1109090	CHRISTOPHER CHICO	$86.72
4/22/21	1109091	JIM MCHALE	$17.81
4/22/21	1109092	SHOPS B STANWOOD LLC	$209.98
4/22/21	1109093	DAVINA THOMPSON	$25.36
4/22/21	1109094	LACEY MELTON	$16.96
4/22/21	1109095	SAMANTHA CHA	$81.96
4/22/21	1109096	PRETIUM SFR HOLDINGS, LLC	$21.82

Revolving Fund - Customer Refunds, Incentives and Other			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
4/22/21	1109097	JAN FERGUSON	$56.87
4/22/21	1109098	ANDY SADER	$87.62
4/22/21	1109099	CORNERSTONE HOMES	$13.68
4/22/21	1109100	KENNETH WILLIAMS	$114.37
4/22/21	1109101	DANIEL STACKHOUSE	$27.26
4/22/21	1109102	KAITLYN WALLACE	$90.65
4/22/21	1109103	KRISTIN EDMONDSON	$141.38
4/22/21	1109104	THE ESTATE OF ARMOUR F MILLER WEBB	$405.61
4/22/21	1109105	AUDREY MARTIN WOODIN	$24.38
4/22/21	1109106	KETTLER REALTY LLC	$179.28
4/22/21	1109107	ANITA MORAN	$58.51
4/22/21	1109108	CHIYU ZHANG	$42.81
4/22/21	1109109	MARY VERRATTI	$43.74
4/22/21	1109110	MICHAEL DAVIS	$206.22
4/22/21	1109111	KYLIE BOWMAN	$18.23
4/22/21	1109112	EDWARD CUMMINGS	$46.01
4/22/21	1109113	JESSICA MORGAN	$1,247.44
4/22/21	1109114	GALINA BUSEVA	$306.93
4/22/21	1109115	NANCY BURKHALTER	$35.18
4/22/21	1109116	ANDREW WEST	$104.82
4/22/21	1109117	RAJAB MAFTAH	$27.03
4/22/21	1109118	ISMAIL MOHAMMAD	$203.67
4/22/21	1109119	DAVID GREEN	$19.10
4/22/21	1109120	JULIE JOSUND	$131.54
4/22/21	1109121	MARK KUTSAR	$137.43
4/22/21	1109122	AIDEE MACEDO	$96.98
4/22/21	1109123	WILLIAM JOHNSON	$5.53
4/22/21	1109124	LESLEY HANGER	$53.28
4/22/21	1109125	FAIRFIELD ALDERWOOD COURT LP	$70.99
4/22/21	1109126	CRYSTAL ULAM	$1,000.00
4/22/21	1109127	RALPH REITAN	$44.94
4/22/21	1109128	RILEY YOUNGER	$146.32

Revolving Fund - Customer Refunds, Incentives and Other			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
4/22/21	1109129	KEVIN HAIG	$7.27
4/22/21	1109130	CHARLES HAGENSEN	$56.89
4/22/21	1109131	LUCINDA HALE	$162.75
4/22/21	1109132	AN TRAN	$203.99
4/22/21	1109133	KYONG KIM	$113.94
4/22/21	1109134	IH4 PROPERTY WASHINGTON, L.P.	$51.81
4/23/21	1109135	ACME HOMES LLC	$572.89
4/23/21	1109136	NICKI SWENSON	$15.41
4/23/21	1109137	CORNERSTONE HOMES	$14.61
4/23/21	1109138	TS PROPERTY MANAGEMENT INC.	$5.07
4/23/21	1109139	MGP X PROPERTIES LLC	$1,825.00
4/23/21	1109140	MELISSA POHL	$19.53
4/23/21	1109141	DARLENE MARTIN	$31.00
4/23/21	1109142	ANGELA RYNEARSON	$125.70
4/23/21	1109143	HABTAMU TADESSE	$79.54
4/23/21	1109144	ELIJAH WRIGHT	$77.16
4/23/21	1109145	TOM TUDDER	$118.79
4/23/21	1109146	KIET CHINH HO	$27.68
4/23/21	1109147	JUAN MARTINEZ	$52.88
4/23/21	1109148	JR JOHN BOISEN	$5.79
4/23/21	1109149	MICHELLE LINEAR	$175.30
4/23/21	1109150	HEARTLAND CONSTRUCTION LLC	$1,275.94
4/23/21	1109151	M E K PROPERTIES LLC	$97.15
4/23/21	1109152	ISAIAH ALPERT	$93.81
4/23/21	1109153	HEATHERWOOD APARTMENTS	$29.11
4/23/21	1109154	SHELBIE ARTEAGA	$223.92
		Total:	**$61,721.28**

Revolving Fund - Electronic Customer Refunds			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
4/12/21	000201840316	ALLAN BURNS	$19.29
4/12/21	000201840317	MELISSA KELLEY	$18.20
4/12/21	000201840318	MARK CANNADAY	$45.50
4/13/21	000201847946	FATOU CEESAY	$271.11
4/13/21	000201847947	CRYSTAL MCKENZIE	$86.72
4/15/21	000201864032	ANDREW SOTO	$67.73
4/15/21	000201864033	MINGLING CHOU	$251.97
4/15/21	000201864034	ANDREW SOTO	$15.34
4/15/21	000201864035	CARLEEN LIND	$835.62
4/15/21	000201864036	WILLIAM SHANAHAN	$230.19
4/15/21	000201864037	CORTNEY BERG	$141.96
4/16/21	000201872015	JUSTIN MALDONADO	$261.76
4/19/21	000201884757	MELISSA BURTON	$62.37
4/19/21	000201884758	ANNE RUSSELL	$586.56
4/20/21	000201891984	COOPER KNOX	$49.50
4/20/21	000201891985	COOPER KNOX	$105.78
4/20/21	000201891986	LEANNE CLARE	$400.00
4/20/21	000201891987	CLIFFORD GERBER	$76.77
4/20/21	000201891988	VIVIAN ADAMS	$306.93
4/22/21	000201907031	MELODY FERGUSON	$199.67
4/22/21	000201907032	THIEN NGUYEN	$115.20
		Total:	**$4,148.17**

Accounts Payable Warrants			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
4/13/21	8062827	ISLAND COUNTY	$103.50
4/13/21	8062828	KAMAN FLUID POWER LLC	$614.87
4/13/21	8062829	CITY OF MARYSVILLE	$2,450.85
4/13/21	8062830	CITY OF MOUNTLAKE TERRACE	$334.47
4/13/21	8062831	GENUINE PARTS COMPANY	$2,583.65
4/13/21	8062832	PAPE MACHINERY INC	$140.44
4/13/21	8062833	PTC INC	$2,602.92
4/13/21	8062834	CITY OF ARLINGTON	$575.73
4/13/21	8062835	ROBERT HALF INTERNATIONAL INC	$3,199.53
4/13/21	8062836	SNOHOMISH COUNTY	$111.50
4/13/21	8062837	SNOHOMISH COUNTY	$103.50
4/13/21	8062838	SNOHOMISH COUNTY	$103.50
4/13/21	8062839	SNOHOMISH COUNTY	$106.50
4/13/21	8062840	SNOHOMISH COUNTY	$107.50
4/13/21	8062841	SNOHOMISH COUNTY	$105.50
4/13/21	8062842	SNOHOMISH COUNTY	$105.50
4/13/21	8062843	SNOHOMISH COUNTY	$105.50
4/13/21	8062844	SNOHOMISH COUNTY	$105.50
4/13/21	8062845	SNOHOMISH COUNTY	$105.50
4/13/21	8062846	SNOHOMISH COUNTY	$105.50
4/13/21	8062847	SNOHOMISH COUNTY	$109.50
4/13/21	8062848	SNOHOMISH COUNTY	$106.50
4/13/21	8062849	SNOHOMISH COUNTY	$105.50
4/13/21	8062850	SNOHOMISH COUNTY	$105.50
4/13/21	8062851	SNOHOMISH COUNTY	$107.50
4/13/21	8062852	SNOHOMISH COUNTY	$106.50
4/13/21	8062853	SNOHOMISH COUNTY	$10.00
4/13/21	8062854	SOUND PUBLISHING INC	$112.00
4/13/21	8062855	UNUM LIFE INSURANCE CO OF AMERICA	$40,163.34
4/13/21	8062856	WESCO GROUP INC	$90.84
4/13/21	8062857	AAA OF EVERETT FIRE	$644.53
4/13/21	8062858	AABCO BARRICADE CO INC	$928.20

Accounts Payable Warrants			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
4/13/21	8062859	BICKFORD MOTORS INC	$836.27
4/13/21	8062860	PUBLIC UTILITY DIST 1 OF GRAYS HARB	$121,797.89
4/13/21	8062861	MESA STANDARDS ALLIANCE	$15,000.00
4/13/21	8062862	NW GEOSYNTHETICS INC	$1,147.42
4/13/21	8062863	RIDGE TRUCKING INC	$3,170.90
4/13/21	8062864	SAFELITE FULFILLMENT INC	$208.73
4/13/21	8062865	PUBLIC UTILITY DIST NO 1 OF	$64.68
4/13/21	8062866	MACH PUBLISHING INC	$365.40
4/13/21	8062867	TRANSFORMER TECHNOLOGIES LLC	$5,841.75
4/13/21	8062868	TERESA WIPPEL	$3,150.00
4/13/21	8062869	PACIFIC LOGGING LLC	$14,400.00
4/13/21	8062870	NORTH SOUND AUTO GROUP LLC	$7.33
4/13/21	8062871	LANDIS GYR TECHNOLOGY INC	$1,657.72
4/13/21	8062872	NORTH COUNTY OUTLOOK INC	$405.00
4/13/21	8062873	SRJ INVESTMENTS INC	$18.53
4/13/21	8062874	OCCUPATIONAL HEALTH CENTERS OF WA P	$32.00
4/13/21	8062875	WRIKE INC	$3,267.65
4/13/21	8062876	EIP COMMUNICATIONS I LLC	$5,295.18
4/13/21	8062877	SKAGIT COUNTY	$104.50
4/13/21	8062878	VIRTUAL PEAKER INC	$13,500.00
4/13/21	8062879	GRANITE CONSTRUCTION COMPANY	$124.51
4/13/21	8062880	CITY OF SNOHOMISH	$749.44
4/16/21	8062881	CHEMSTATION SEATTLE LLC	$1,018.73
4/16/21	8062882	CLATSKANIE PEOPLES UTILITY DISTRICT	$5,501.00
4/16/21	8062883	CO-OP SUPPLY INC	$1,256.55
4/16/21	8062884	CITY OF DARRINGTON	$9,529.75
4/16/21	8062885	DAVEY TREE SURGERY COMPANY	$36,104.84
4/16/21	8062886	EQUIFAX INFORMATION SERVICES LLC	$7,565.06
4/16/21	8062887	NAVIA BENEFIT SOLUTIONS	$2,357.50
4/16/21	8062888	CITY OF GOLD BAR	$10,838.31
4/16/21	8062889	CITY OF GOLD BAR	$436.73
4/16/21	8062890	HILTI INC	$332.76

Accounts Payable Warrants			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
4/16/21	8062891	CITY OF LYNNWOOD	$501.68
4/16/21	8062892	CITY OF MARYSVILLE	$223,005.99
4/16/21	8062893	CITY OF MARYSVILLE	$572.13
4/16/21	8062894	CITY OF MOUNTLAKE TERRACE	$87,170.30
4/16/21	8062895	MT INDEX RIVERSITES COMMUNITY CLUB	$710.65
4/16/21	8062896	GENUINE PARTS COMPANY	$283.82
4/16/21	8062897	VERIZON CONNECT NWF INC	$11,983.04
4/16/21	8062898	OLYMPIC VIEW WATER SEWER	$91.93
4/16/21	8062899	PACIFIC TOPSOILS INC	$252.54
4/16/21	8062900	PUGET SOUND ENERGY INC	$1,951.56
4/16/21	8062901	CITY OF ARLINGTON	$178.06
4/16/21	8062902	REPUBLIC SERVICES INC	$1,584.21
4/16/21	8062903	ROBERT HALF INTERNATIONAL INC	$1,677.00
4/16/21	8062904	ROMAINE ELECTRIC CORP	$764.05
4/16/21	8062905	SILVER LAKE WATER & SEWER DISTRICT	$70.10
4/16/21	8062906	SNOHOMISH COUNTY	$4,830.00
4/16/21	8062907	SOUND SECURITY INC	$515.43
4/16/21	8062908	SUBURBAN PROPANE	$997.20
4/16/21	8062909	CITY OF SULTAN	$31,397.73
4/16/21	8062910	DOBBS HEAVY DUTY HOLDINGS LLC	$295.32
4/16/21	8062911	ALDERWOOD WATER & WASTEWATER DISTRI	$33.00
4/16/21	8062912	GEORGE MARSHALL	$60.06
4/16/21	8062913	CITY OF ARLINGTON	$118,554.57
4/16/21	8062914	BGC FINANCIAL LP	$750.00
4/16/21	8062915	CITY OF BOTHELL	$117,892.45
4/16/21	8062916	CITY OF BRIER	$22,174.20
4/16/21	8062917	EBEY HILL HYDROELECTRIC INC	$1,514.22
4/16/21	8062918	ECODOCX LLC	$3,150.00
4/16/21	8062919	CITY OF EDMONDS	$3,865.00
4/16/21	8062920	CITY OF EDMONDS	$183,774.12
4/16/21	8062921	EMERALD SERVICES INC	$45.50
4/16/21	8062922	CITY OF INDEX	$2,094.56

Accounts Payable Warrants			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
4/16/21	8062923	CITY OF LAKE STEVENS	$114,320.70
4/16/21	8062924	CITY OF LAKE STEVENS	$34,500.22
4/16/21	8062925	LAKE STEVENS SEWER DIST	$86.00
4/16/21	8062926	CITY OF MONROE	$2,671.00
4/16/21	8062927	CITY OF MONROE	$79,474.22
4/16/21	8062928	PACIFICORP	$13,475.00
4/16/21	8062929	RUBATINO REFUSE REMOVAL INC	$6,667.60
4/16/21	8062930	SAFELITE FULFILLMENT INC	$402.27
4/16/21	8062931	PUBLIC UTILITY DIST NO 1 OF	$1,712.65
4/16/21	8062932	CITY OF STANWOOD	$35,075.03
4/16/21	8062933	WEX BANK	$65,198.07
4/16/21	8062934	TOWN OF WOODWAY	$5,406.59
4/16/21	8062935	EDISON ELECTRIC INSTITUTE	$2,500.00
4/16/21	8062936	CITY OF EVERETT	$1,679.40
4/16/21	8062937	CITY OF GRANITE FALLS	$17,275.64
4/16/21	8062938	GRAYBAR ELECTRIC CO INC	$14,794.12
4/16/21	8062939	LAMAR TEXAS LTD PARTNERSHIP	$6,165.00
4/16/21	8062940	COMCAST CORPORATION	$513.99
4/16/21	8062941	CENTURYLINK COMMUNICATIONS LLC	$111.63
4/16/21	8062942	AUTOMATIC DATA PROCESSING LLC	$10,403.89
4/16/21	8062943	NORTH SOUND AUTO GROUP LLC	$29.34
4/16/21	8062944	MAYES TESTING ENGINEERS INC	$2,482.50
4/16/21	8062945	CITY OF EVERETT	$687,166.15
4/16/21	8062946	THE PARTNERS GROUP LTD	$1,739.00
4/16/21	8062947	CAMPBELL NISSAN EVERETT INC	$1,030.73
4/16/21	8062948	MASTERCRAFT ELECTRIC INC	$4,995.00
4/16/21	8062949	BEACON SALES ACQUISITION INC	$171.28
4/16/21	8062950	WASHINGTON STATE DOT	$751.51
4/16/21	8062951	FLEET SERVICE VEHICLE REPAIR LLC	$2,315.43
4/16/21	8062952	BHC CONSULTANTS LLC	$31,874.75
4/16/21	8062953	EXTENDED STAY AMERICA INC	$76,500.00
4/16/21	8062954	EVERGREEN STATE SHEET METAL INC	$2,500.00

Accounts Payable Warrants			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
4/16/21	8062955	CITY OF LYNNWOOD	$214,709.24
4/16/21	8062956	CITY OF MUKILTEO	$93,445.84
4/16/21	8062957	CITY OF SNOHOMISH	$53,514.82
4/20/21	8062958	MANUEL ANG	$1,667.29
4/20/21	8062959	KEN D KIRBY	$4,554.00
4/20/21	8062960	MICHAEL R BOKROSH III	$1,613.45
4/20/21	8062961	KOZ ON N BROADWAY LLC	$12,141.96
4/20/21	8062962	CITY OF LYNNWOOD	$1,171.40
4/20/21	8062963	CCH INCORPORATED	$774.09
4/20/21	8062964	CITY OF EVERETT	$213,755.53
4/20/21	8062965	CORE & MAIN LP	$16,609.21
4/20/21	8062966	CITY OF LAKE STEVENS	$200.00
4/20/21	8062967	CITY OF LAKE STEVENS	$204.00
4/20/21	8062968	LEXISNEXIS RISK DATA MANAGEMENT INC	$32.94
4/20/21	8062969	CITY OF LYNNWOOD	$391.50
4/20/21	8062970	BEACON PUBLISHING INC	$990.00
4/20/21	8062971	MUKILTEO WATER & WASTEWATER DIST	$198.10
4/20/21	8062972	GENUINE PARTS COMPANY	$312.95
4/20/21	8062973	NEAL LIGHTING SERVICES LLC	$1,880.00
4/20/21	8062974	PUGET SOUND ENERGY INC	$5,836.07
4/20/21	8062975	REPUBLIC SERVICES INC	$97.76
4/20/21	8062976	ROBERT HALF INTERNATIONAL INC	$4,373.71
4/20/21	8062977	ROMAINE ELECTRIC CORP	$1,334.59
4/20/21	8062978	SIX ROBBLEES INC	$112.31
4/20/21	8062979	SKAGIT LAW GROUP PLLC	$3,828.82
4/20/21	8062980	SNOHOMISH COUNTY	$2,040.00
4/20/21	8062981	SNOHOMISH COUNTY	$105.50
4/20/21	8062982	SNOHOMISH COUNTY TREASURER	$101,408.00
4/20/21	8062983	SOUND PUBLISHING INC	$278.77
4/20/21	8062984	UNITED SITE SERVICES OF NEVADA INC	$7.86
4/20/21	8062985	STATE OF WASHINGTON	$3,498.23
4/20/21	8062986	STATE OF WASHINGTON	$500.00

Accounts Payable Warrants			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
4/20/21	8062987	STATE OF WASHINGTON	$150.00
4/20/21	8062988	STATE OF WASHINGTON	$2,435.08
4/20/21	8062989	AAA OF EVERETT FIRE	$636.84
4/20/21	8062990	BICKFORD MOTORS INC	$953.19
4/20/21	8062991	COMCAST HOLDINGS CORPORATION	$14,291.00
4/20/21	8062992	CITY OF EDMONDS	$7,000.00
4/20/21	8062993	RYAN SCOTT FELTON	$122.62
4/20/21	8062994	NW TRANSMISSION INC	$1,257.93
4/20/21	8062995	SAFE SOFTWARE INC	$3,491.64
4/20/21	8062996	SNOHOMISH COUNTY	$2,858.25
4/20/21	8062997	SNOHOMISH COUNTY	$10,933.57
4/20/21	8062998	PUBLIC UTILITY DIST NO 1 OF	$53.18
4/20/21	8062999	TECHPOWER SOLUTIONS INC	$10,902.79
4/20/21	8063000	T-MOBILE USA INC	$1,643.14
4/20/21	8063001	TOTAL LANDSCAPE CORP	$51,435.51
4/20/21	8063002	USGS NATIONAL CENTER	$54,600.00
4/20/21	8063003	WELLSPRING FAMILY SERVICES	$2,837.52
4/20/21	8063004	ACCESS INFORMATION HOLDINGS LLC	$1,644.78
4/20/21	8063005	MOBILE SOLUTIONS SVCS HOLDINGS LLC	$7,634.40
4/20/21	8063006	CORVEL HEALTHCARE CORP	$1,537.33
4/20/21	8063007	HARNISH GROUP INC	$2,690.10
4/20/21	8063008	PNG MEDIA LLC	$708.64
4/20/21	8063009	SRJ INVESTMENTS INC	$3,817.13
4/20/21	8063010	FSX INC	$708.21
4/20/21	8063011	MITSUBISHI ELECTRIC POWER	$10,000.00
4/20/21	8063012	OCCUPATIONAL HEALTH CENTERS OF WA P	$108.50
4/20/21	8063013	ACCESS INFORMATION HOLDINGS LLC	$2,560.73
4/20/21	8063014	NORTHWEST FIBER LLC	$13,681.08
4/20/21	8063015	FLEET SERVICE VEHICLE REPAIR LLC	$3,219.43
4/20/21	8063016	SOUND MEDICAL VENTURES LLC	$596.00
4/20/21	8063017	PERFORMANCE VALIDATON INC	$2,001.00
4/20/21	8063018	SHLR OF WASHINGTON INC	$4,800.00

Accounts Payable Warrants			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
4/20/21	8063019	COMMUNITY HEALTH CENTER OF	$3,098.00
4/23/21	8063020	CROWN CASTLE USA INC	$2,000.00
4/23/21	8063021	PUGET SOUND ENERGY	$6,262.09
4/23/21	8063022	CONDOR HOMES LLC	$54.16
4/23/21	8063023	COMCAST HOLDING CORPORATION	$474.07
4/23/21	8063024	DISH NETWORK	$95.75
4/23/21	8063025	CITY OF EVERETT	$118.21
4/23/21	8063026	GETTY IMAGES US INC	$1,800.00
4/23/21	8063027	GLOBAL RENTAL COMPANY INC	$14,713.20
4/23/21	8063028	HAT ISLAND COMMUNITY ASSN	$100.00
4/23/21	8063029	LANGUAGE LINE SERVICES INC	$3,122.99
4/23/21	8063030	CITY OF MONROE	$959.78
4/23/21	8063031	GENUINE PARTS COMPANY	$1,898.21
4/23/21	8063032	PITNEY BOWES PRESORT SERVICES INC	$324.32
4/23/21	8063033	REPUBLIC SERVICES INC	$253.97
4/23/21	8063034	RIVERSIDE TOPSOIL INC	$88.00
4/23/21	8063035	ROMAINE ELECTRIC CORP	$3,162.24
4/23/21	8063036	SALISH NETWORKS INC	$480.40
4/23/21	8063037	SECURE PACIFIC CORPORATION	$3,861.00
4/23/21	8063038	SOUND PUBLISHING INC	$5,798.25
4/23/21	8063039	SOUND SECURITY INC	$568.84
4/23/21	8063040	REFINITIV US LLC	$4,835.59
4/23/21	8063041	VERITIV OPERATING CO	$2,415.60
4/23/21	8063042	WEST PUBLISHING CORPORATION	$5,957.26
4/23/21	8063043	LELAND R DART	$900.00
4/23/21	8063044	ECOLIGHTS NORTHWEST LLC	$234.10
4/23/21	8063045	EDS MCDOUGALL LLC	$320.00
4/23/21	8063046	GREAT WESTERN INK	$301.50
4/23/21	8063047	CITY OF MOUNTLAKE TERRACE	$6,422.70
4/23/21	8063048	EPIC CORP	$505.08
4/23/21	8063049	SEVEN LAKES WATER ASSOC INC	$63.00
4/23/21	8063050	PUBLIC UTILITY DIST NO 1 OF	$2,219.25

Accounts Payable Warrants			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
4/23/21	8063051	ZIPPER GEO ASSOCIATES LLC	$4,036.70
4/23/21	8063052	GRAYBAR ELECTRIC CO INC	$63,332.13
4/23/21	8063053	MC DEAN INC	$9,669.90
4/23/21	8063054	LOADMAN NW LLC	$562.73
4/23/21	8063055	OSW EQUIPMENT & REPAIR LLC	$672.68
4/23/21	8063056	GEO TEST SERVICES INC	$2,999.29
4/23/21	8063057	BRADY WORLDWIDE INC	$284.39
4/23/21	8063058	SNOHOMISH COUNTY 911	$5,642.81
4/23/21	8063059	SOURCEONE SOLUTIONS LLC	$5,224.00
4/23/21	8063060	LS PROPCO LLC	$832.00
4/23/21	8063061	FAWN CLARK	$1,920.00
4/23/21	8063062	NORTHWEST MOBILE FLAGGING ACADEMY	$65.00
4/23/21	8063063	LISA DEGUIRE	$15,465.00
4/23/21	8063064	MELODY ANN YOUNG	$375.00
4/23/21	8063065	SHARON FRANCES MCKENZIE	$375.00
4/23/21	8063066	THE BARTELL DRUG COMPANY	$61.64
4/23/21	8063067	CAPITAL LIGHTING COMPANY INC	$8,344.00
4/23/21	8063068	GLASS BY LUND INC	$1,000.00
4/23/21	8063069	SUPERIOR GLASS INSTALLATIONS INC	$800.00
4/23/21	8063070	SELECT AIR SERVICES INC	$800.00
		Total:	**$3,527,943.99**

Accounts Payable ACH			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
4/12/21	6023152	DAY MANAGEMENT CORPORATION	$451.28
4/12/21	6023153	DLT SOLUTIONS LLC	$234,664.19
4/12/21	6023154	OFFICE DEPOT INC	$557.28
4/12/21	6023155	PETROCARD INC	$1,249.53
4/12/21	6023156	RWC INTERNATIONAL LTD	$973.52
4/12/21	6023157	BRAKE & CLUTCH SUPPLY INC	$133.90
4/12/21	6023158	COLEHOUR & COHEN INC	$111,505.20
4/12/21	6023159	CUZ CONCRETE PRODUCTS INC	$933.30
4/12/21	6023160	EVERETT STEEL INC	$4,896.97
4/12/21	6023161	GENERAL PACIFIC INC	$11,084.59
4/12/21	6023162	LAW DAWGS INC	$1,000.00
4/12/21	6023163	NORTHWEST CASCADE INC	$290.55
4/12/21	6023164	RICOH USA INC	$974.84
4/12/21	6023165	LOUIS F MATHESON CONSTRUCTION INC	$129.36
4/12/21	6023166	HECTOR BRACERO	$292.65
4/12/21	6023167	ALTEC INDUSTRIES INC	$123.50
4/12/21	6023168	ANIXTER INC	$41,325.30
4/12/21	6023169	THE ADT SECURITY CORPORATION	$4,117.37
4/12/21	6023170	COZY HEATING INC	$1,500.00
4/12/21	6023171	HP INC	$768.60
4/13/21	6023172	FRUHLING SAND & TOPSOIL INC	$857.63
4/13/21	6023173	RWC INTERNATIONAL LTD	$84.40
4/13/21	6023174	STELLAR INDUSTRIAL SUPPLY INC	$4,982.03
4/13/21	6023175	GORDON TRUCK CENTERS INC	$150.36
4/13/21	6023176	BRAKE & CLUTCH SUPPLY INC	$121.35
4/13/21	6023177	EDGE ANALYTICAL INC	$192.00
4/13/21	6023178	GENERAL PACIFIC INC	$15,714.69
4/13/21	6023179	HOGLUNDS TOP SHOP INC	$439.20
4/13/21	6023180	MILLIMAN INC	$895.00
4/13/21	6023181	NORTHWEST CASCADE INC	$360.50
4/13/21	6023182	ROHLINGER ENTERPRISES INC	$1,876.36
4/13/21	6023183	SOUND SAFETY PRODUCTS CO INC	$470.38

Accounts Payable ACH			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
4/13/21	6023184	ALTEC INDUSTRIES INC	$591.73
4/13/21	6023185	MONICA GORMAN	$156.80
4/13/21	6023186	KIMBERLEY LEE	$175.84
4/13/21	6023187	JESSE SCHONEMAN	$324.42
4/13/21	6023188	DAMON SPRAGUE	$109.38
4/13/21	6023189	MELISSA JOHNSON	$3,225.00
4/13/21	6023190	ROBERT REED	$45.92
4/13/21	6023191	ADELA SANTISTEBAN	$50.40
4/13/21	6023192	JEREMY JAMES	$324.42
4/13/21	6023193	LULU ZHAO	$24.64
4/13/21	6023194	NATHANIAL JENSEN	$324.42
4/14/21	6023195	RWC INTERNATIONAL LTD	$56.79
4/14/21	6023196	S&C ELECTRIC COMPANY	$73,906.38
4/14/21	6023197	SEAHURST ELECTRIC CO INC	$14,695.00
4/14/21	6023198	BENS CLEANER SALES INC	$376.71
4/14/21	6023199	CELLCO PARTNERSHIP	$1,324.88
4/14/21	6023200	DAVIS DOOR SERVICE INC	$856.74
4/14/21	6023201	EDGE ANALYTICAL INC	$192.00
4/14/21	6023202	EVERETT SAFE & LOCK INC	$104.20
4/14/21	6023203	RICOH USA INC	$7,283.30
4/14/21	6023204	LOUIS F MATHESON CONSTRUCTION INC	$726.74
4/14/21	6023205	SOUND SAFETY PRODUCTS CO INC	$3,796.04
4/14/21	6023206	TECH PRODUCTS INC	$420.00
4/14/21	6023207	WETHERHOLT & ASSOCIATES INC	$1,655.48
4/14/21	6023208	ALTEC INDUSTRIES INC	$5,736.45
4/14/21	6023209	ANIXTER INC	$32,970.18
4/14/21	6023210	LITE-ON TECHNOLOGY USA INC	$129.19
4/14/21	6023211	CENVEO WORLDWIDE LIMITED	$3,854.97
4/14/21	6023212	TITAN ELECTRIC INC	$85,996.29
4/14/21	6023213	OPENSQUARE HOLDINGS	$5,495.62
4/14/21	6023214	THE ADT SECURITY CORPORATION	$24,860.33
4/14/21	6023215	MAPBOX INC	$1,075.20

Accounts Payable ACH			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
4/14/21	6023216	WASHINGTON ENERGY SERVICES COMPANY	$150.00
4/15/21	6023217	ASPLUNDH TREE EXPERT LLC	$32,582.65
4/15/21	6023218	CADMAN INC	$676.10
4/15/21	6023219	GORDON TRUCK CENTERS INC	$145.62
4/15/21	6023220	WESCO DISTRIBUTION INC	$10,119.56
4/15/21	6023221	WW GRAINGER INC	$750.98
4/15/21	6023222	AARD PEST CONTROL INC	$192.15
4/15/21	6023223	DAVIS DOOR SERVICE INC	$640.33
4/15/21	6023224	EDGE ANALYTICAL INC	$160.00
4/15/21	6023225	HOGLUNDS TOP SHOP INC	$1,239.99
4/15/21	6023226	LOUIS F MATHESON CONSTRUCTION INC	$1,272.26
4/15/21	6023227	STOEL RIVES LLP	$16,590.00
4/15/21	6023228	ALTEC INDUSTRIES INC	$11,490.76
4/15/21	6023229	FINANCIAL CONSULTING SOLUTIONS GROU	$6,420.00
4/15/21	6023230	AL VAN EQUIP NW INC	$14,078.04
4/15/21	6023231	TITAN ELECTRIC INC	$42,346.81
4/15/21	6023232	CLEAN CRAWL INC	$415.00
4/15/21	6023233	CM HEATING INC	$2,500.00
4/15/21	6023234	HP INC	$3,403.72
4/15/21	6023235	CRAWL SPACE CLEANING PROS INC	$318.00
4/16/21	6023236	HOWARD INDUSTRIES INC	$10,511.15
4/16/21	6023237	MR TRUCK WASH INC	$2,531.24
4/16/21	6023238	UNITED PARCEL SERVICE	$117.89
4/16/21	6023239	WILLIAMS SCOTSMAN INC	$1,388.19
4/16/21	6023240	LOUIS F MATHESON CONSTRUCTION INC	$382.69
4/16/21	6023241	BALLARD HARDWARE & SUPPLY INC	$10,759.79
4/16/21	6023242	NORTH COUNTY OUTLOOK INC	$405.00
4/16/21	6023243	CASNE ENGINEERING INC	$3,162.00
4/16/21	6023244	ENERGY EXTERIORS NW LLC	$250.00
4/16/21	6023245	AA REMODELING LLC	$450.00
4/16/21	6023246	WASHINGTON ENERGY SERVICES COMPANY	$2,750.00
4/19/21	6023247	AVISTA CORPORATION	$7,500.00

Accounts Payable ACH			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
4/19/21	6023248	EFFICIENCY INC	$1,043.10
4/19/21	6023249	EJ BROOKS COMPANY	$786.53
4/19/21	6023250	EUGENE WATER & ELECTRIC BOARD	$11,359.00
4/19/21	6023251	FASTENAL COMPANY	$75.79
4/19/21	6023252	INTERCONTINENTAL EXCHANGE HOLDINGS	$3,175.00
4/19/21	6023253	NORTH COAST ELECTRIC COMPANY	$4,078.29
4/19/21	6023254	OFFICE DEPOT INC	$929.24
4/19/21	6023255	PORTLAND GENERAL ELECTRIC CO	$70,610.00
4/19/21	6023256	PUGET SOUND ENERGY INC	$995.45
4/19/21	6023257	ROY ROBINSON INC	$243.71
4/19/21	6023258	RWC INTERNATIONAL LTD	$1,876.04
4/19/21	6023259	TOPSOILS NORTHWEST INC	$330.00
4/19/21	6023260	TFS ENERGY LLC	$925.00
4/19/21	6023261	TRENCHLESS CONSTR SVCS LLC	$6,309.36
4/19/21	6023262	TULLETT PREBON AMERICAS CORP	$3,492.00
4/19/21	6023263	GORDON TRUCK CENTERS INC	$17.41
4/19/21	6023264	VAN NESS FELDMAN LLP	$8,111.50
4/19/21	6023265	WILLIAMS SCOTSMAN INC	$928.24
4/19/21	6023266	OTC GLOBAL HOLDINGS LP	$826.00
4/19/21	6023267	AARD PEST CONTROL INC	$104.31
4/19/21	6023268	OTC GLOBAL HOLDINGS LP	$825.00
4/19/21	6023269	CUZ CONCRETE PRODUCTS INC	$117.94
4/19/21	6023270	DESIGNER DECAL INC	$2,122.15
4/19/21	6023271	EVERETT SAFE & LOCK INC	$11.04
4/19/21	6023272	GENERAL PACIFIC INC	$34,930.67
4/19/21	6023273	LAW DAWGS INC	$1,000.00
4/19/21	6023274	NORTHWEST CASCADE INC	$530.00
4/19/21	6023275	GARY PETERSEN	$13,811.80
4/19/21	6023276	QUALCO ENERGY	$16,942.36
4/19/21	6023277	RICHARDSON BOTTLING COMPANY	$64.55
4/19/21	6023278	LOUIS F MATHESON CONSTRUCTION INC	$129.36
4/19/21	6023279	ALTEC INDUSTRIES INC	$123.59

Accounts Payable ACH			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
4/19/21	6023280	ANIXTER INC	$48,642.64
4/19/21	6023281	AB RETAIL INC	$474.34
4/19/21	6023282	SEATTLE NUT & BOLT LLC	$2,157.06
4/19/21	6023283	TRAFFIC CONTROL PLAN CO OF WA LLC	$600.00
4/19/21	6023284	NEXANT INC	$95,211.60
4/19/21	6023285	HARNISH GROUP INC	$1,601.03
4/19/21	6023286	TITAN ELECTRIC INC	$13,615.44
4/19/21	6023287	ADVANCED TEST EQUIPMENT CORP	$2,947.53
4/19/21	6023288	THE ADT SECURITY CORPORATION	$7,448.94
4/19/21	6023289	CONOCOPHILLIPS COMPANY	$379,827.00
4/19/21	6023290	HP INC	$2,752.14
4/20/21	6023291	CONSOLIDATED ELECTRICAL DISTRIBUTOR	$3,279.29
4/20/21	6023292	DIVERSIFIED INSPECTIONS ITL INC	$4,477.00
4/20/21	6023293	MR TRUCK WASH INC	$2,360.70
4/20/21	6023294	NORTH COAST ELECTRIC COMPANY	$224.99
4/20/21	6023295	RWC INTERNATIONAL LTD	$390.95
4/20/21	6023296	STELLAR INDUSTRIAL SUPPLY INC	$2,740.97
4/20/21	6023297	TOPSOILS NORTHWEST INC	$220.00
4/20/21	6023298	TRENCHLESS CONSTR SVCS LLC	$107,345.20
4/20/21	6023299	WESCO DISTRIBUTION INC	$1,613.53
4/20/21	6023300	WILLIAMS SCOTSMAN INC	$224.82
4/20/21	6023301	DOOSAN GRIDTECH INC	$115,290.00
4/20/21	6023302	CELLCO PARTNERSHIP	$48,496.92
4/20/21	6023303	DOUBLE EAGLE LANDSCAPE INC	$6,950.02
4/20/21	6023304	LENZ ENTERPRISES INC	$519.88
4/20/21	6023305	LOUIS F MATHESON CONSTRUCTION INC	$129.36
4/20/21	6023306	ALTEC INDUSTRIES INC	$154.16
4/20/21	6023307	ANIXTER INC	$6,001.67
4/20/21	6023308	ICONIX WATERWORKS INC	$4,363.49
4/20/21	6023309	TITAN ELECTRIC INC	$655,042.21
4/20/21	6023310	COZY HEATING INC	$1,600.00
4/20/21	6023311	AA REMODELING LLC	$1,400.00

Accounts Payable ACH			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
4/21/21	6023312	ALS GROUP USA CORP	$60.00
4/21/21	6023313	EJ BROOKS COMPANY	$9,889.50
4/21/21	6023314	FASTENAL COMPANY	$315.30
4/21/21	6023315	IBEW LOCAL 77	$72,814.35
4/21/21	6023316	RWC INTERNATIONAL LTD	$2,057.39
4/21/21	6023317	STELLA-JONES CORPORATION	$45,277.74
4/21/21	6023318	TOPSOILS NORTHWEST INC	$220.00
4/21/21	6023319	GORDON TRUCK CENTERS INC	$445.18
4/21/21	6023320	WESCO DISTRIBUTION INC	$119,935.06
4/21/21	6023321	WILLIAMS SCOTSMAN INC	$183.00
4/21/21	6023322	DESIGNER DECAL INC	$926.44
4/21/21	6023323	DICKS TOWING INC	$2,297.57
4/21/21	6023324	REINHAUSEN MANUFACTURING INC	$7,154.83
4/21/21	6023325	VISION METERING LLC	$7,000.00
4/21/21	6023326	OFFICE OF THE SECRETARY OF STATE	$2,751.50
4/21/21	6023327	ANIXTER INC	$7,467.19
4/21/21	6023328	MALLORY SAFETY AND SUPPLY LLC	$488.04
4/21/21	6023329	HARNISH GROUP INC	$8,583.51
4/21/21	6023330	COZY HEATING INC	$2,300.00
4/22/21	6023331	ASPLUNDH TREE EXPERT LLC	$33,144.96
4/22/21	6023332	DEXSIL CORP	$1,199.41
4/22/21	6023333	INTERWEST CONSTRUCTION INC	$18,427.64
4/22/21	6023334	NORTHWEST POWER POOL CORP	$13,620.26
4/22/21	6023335	TOPSOILS NORTHWEST INC	$1,870.00
4/22/21	6023336	UNITED PARCEL SERVICE	$86.53
4/22/21	6023337	WESCO DISTRIBUTION INC	$148,696.33
4/22/21	6023338	WW GRAINGER INC	$696.49
4/22/21	6023339	BRAKE & CLUTCH SUPPLY INC	$918.53
4/22/21	6023340	CONSOLIDATED SUPPLY CO	$23.69
4/22/21	6023341	DESIGNER DECAL INC	$3,662.68
4/22/21	6023342	DICKS TOWING INC	$247.05
4/22/21	6023343	EVERETT SAFE & LOCK INC	$37.72

Accounts Payable ACH			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
4/22/21	6023344	GENERAL PACIFIC INC	$16,360.57
4/22/21	6023345	LOUIS F MATHESON CONSTRUCTION INC	$17,877.03
4/22/21	6023346	ALTEC INDUSTRIES INC	$344.12
4/22/21	6023347	GRAVITEC SYSTEMS INC	$3,361.00
4/22/21	6023348	AL VAN EQUIP NW INC	$14,078.04
4/22/21	6023349	THE GOODYEAR TIRE & RUBBER CO	$3,038.48
4/22/21	6023350	NEXANT INC	$11,500.00
4/22/21	6023351	MURRAYSMITH INC	$19,978.50
4/22/21	6023352	WASHINGTON ENERGY SERVICES COMPANY	$2,500.00
4/22/21	6023353	STEPHANIE STROM	$30.80
4/22/21	6023354	LAURA WILSON	$300.00
4/22/21	6023355	SHAWN WIGGINS	$126.00
4/23/21	6023356	AMERICAN PUBLIC POWER ASSOC	$24,180.59
4/23/21	6023357	HOWARD INDUSTRIES INC	$66,288.45
4/23/21	6023358	ROY ROBINSON INC	$30.03
4/23/21	6023359	GENERAL PACIFIC INC	$6,041.75
4/23/21	6023360	NORTHWEST CASCADE INC	$1,783.58
4/23/21	6023361	HCL AMERICA INC	$23,061.38
4/23/21	6023362	ORSI LESSEE LLC	$18,937.80
4/23/21	6023363	GS HEATING & COOLING LLC	$14,700.00
		Total:	**$3,361,924.53**

Accounts Payable Wires			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
4/12/21	7002146	ICMA-RC	$32,670.00
4/14/21	7002147	CRAWFORD & COMPANY	$34,878.33
4/16/21	7002148	US BANK NA	$29,418.74
4/20/21	7002149	PUBLIC UTILITY DIST NO 1 OF CHELAN	$47,960.00
4/20/21	7002150	THE ENERGY AUTHORITY INC	$9,700.00
4/20/21	7002151	PUGET SOUND ENERGY INC	$755,905.75
4/20/21	7002152	CITY OF SEATTLE	$387,969.58
4/20/21	7002153	TRANSALTA ENERGY MARKETING US INC	$58,815.81
4/20/21	7002154	ENERGY NORTHWEST	$55,401.00
4/20/21	7002155	EXELON CORP	$4,530.00
4/20/21	7002156	HAMPTON LUMBER MILLS-WA INC	$128,416.26
4/20/21	7002157	AVANGRID RENEWABLES LLC	$1,536,228.37
4/20/21	7002158	LL&P WIND ENERGY INC	$373,081.84
4/20/21	7002159	MORGAN STANLEY	$10,780.00
4/21/21	7002160	ICMA-RC	$195,530.31
4/21/21	7002161	PUBLIC UTILITY DIST NO 1 OF SNOHOMI	$48,258.44
4/21/21	7002162	ICMA-RC	$563,932.51
4/22/21	7002163	US DEPARTMENT OF ENERGY	$19,920,323.00
4/23/21	7002164	US DEPARTMENT OF ENERGY	$65,800.00
4/23/21	7002165	WHEAT FIELD WIND POWER PROJECT LLC	$1,601,012.50
		Total:	**$25,860,612.44**

Payroll			
Period End Date	**Payment Ref Nbr**	**Payee**	**Amount**
4/21/21	5300000470	PUD EMPLOYEES - DIRECT DEPOSIT	$3,772,871.19
4/22/21	844279 - 844300	PUD EMPLOYEES - WARRANTS	$49,976.46

Automatic Debit Payments			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
4/14/21	5300000469	STATE OF WA DEPT OF RETIR	$2,442,562.62
4/21/21	5300000470	AUTOMATIC DATA PROCESSING	$894,053.52
4/21/21	5300000471	US POSTAL SVC	$110,000.00
		Total:	**$3,446,616.14**

BUSINESS OF THE COMMISSION

Meeting Date: May 4, 2021 **Agenda Item:** 4D

TITLE

Consideration of a Resolution Designating an Authorized Representative and Alternate for Coordinating Matters Relating to the District's Request for Certain Disaster Assistance Funds from Appropriate Federal and State Agencies for the December 29, 2020, Through January 16, 2021, Severe Winter Storms, Straight-line Winds, Flooding, Landslides, and Mudslides

SUBMITTED FOR: Consent Agenda

Finance	Jim Herrling/Jan Barnes	8303/8621
Department	*Contact*	*Extension*

Date of Previous Briefing: _____

Estimated Expenditure: _____ Presentation Planned ☐

ACTION REQUIRED:

☒ Decision Preparation ☐ Incidental (Information) ☐ Monitoring Report

☐ Policy Discussion

☐ Policy Decision

☒ Statutory

SUMMARY STATEMENT:

Identify the relevant Board policies and impacts:

Utilities are provided at the lowest possible cost consistent with sound business principles (Ends Policy 5.).

From December 29, 2020 – January 16, 2021, Snohomish County Washington experienced significant damage from a severe storm. The District is now eligible for federal and state disaster assistance to recover some of the costs incurred repairing the associated damage.

The Washington State Military Department (State Emergency Management) is responsible for coordinating the disbursement of federal and state disaster assistance funds. They require the District to appoint an authorized representative and an alternate to coordinate the District's request for assistance. The attached resolution appoints James L. Herrling as the District's authorized representative and Janet E. Barnes as the alternate for the purpose of requesting federal and state disaster assistance funds associated with the severe storms' damage.

List Attachments:

Resolution

RESOLUTION NO. _____

A RESOLUTION Designating an Authorized Representative and Alternate for Coordinating Matters Relating to the District's Request for Certain Disaster Assistance Funds from Appropriate Federal and State Agencies for the December 29, 2020, Through January 16, 2021, Severe Winter Storm, Straight-line Winds, Flooding, Landslides, and Mudslides

WHEREAS, Federal funding is provided by the Federal Emergency Management Agency ("FEMA") and is administered by the Washington State Military Department ("State Emergency Management") for event number FEMA-4593-DR, which is designated as the "Severe Winter Storm, Straight-line Winds, Flooding, Landslides, and Mudslides"; and

WHEREAS, the District sustained damage to its facilities from and incurred costs in connection with the Severe Storm, Flooding, Landslides, and Mudslides and now desires to seek disaster recovery assistance funds from appropriate federal and state agencies; and

WHEREAS, State Emergency Management requires the District to appoint an authorized representative and alternate representative to coordinate the District's request for disaster recovery assistance.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 1 of Snohomish County, Washington, that James L. Herrling, Treasurer and Senior Manager of Treasury, Risk Management and Supply Chain, is hereby appointed as the District's authorized representative and Janet E. Barnes, Risk Management and Security Administrator, is hereby appointed the District's alternate representative, each of whom is authorized to execute all contracts, certify completion of contracts, request payments, prepare all required documentation for funding requirements and take all other necessary and appropriate actions with respect to all matters pertaining to the federal and state disaster assistance funds received in connection with the Severe Storm, Flooding, Landslides, and Mudslides; and any such action previously taken by either of them is hereby ratified and confirmed.

PASSED AND APPROVED this 4th day of May, 2021.

_____
President

_____
Vice-President

_____
Secretary

BUSINESS OF THE COMMISSION

Meeting Date: May 4, 2021 **Agenda Item** 5A

TITLE

Consideration of a Motion Accepting the 1st Quarter 2021 Financial Conditions and Activities Monitoring Report

SUBMITTED FOR: Items for Individual Consideration

Finance	J. Scott Jones	8356
Department	*Contact*	*Extension*

Date of Previous Briefing: March 23, 2021
Estimated Expenditure: _____ Presentation Planned ☒

ACTION REQUIRED:

☐ Decision Preparation
☐ Policy Discussion
☐ Policy Decision
☐ Statutory
☐ Incidental (Information)
☒ Monitoring Report

SUMMARY STATEMENT:

Identify the relevant Board Policies and impacts:

Executive Limitation 5 – Financial Conditions and Activities

List Attachments:
Internal Monitoring Report – Financial Conditions and Activities (EL-5)
Presentation

GOVERNANCE
INTERNAL MONITORING REPORT

Report Date: **Policy Type:** Executive Limitations

Reporting Method: ☒ **Executive Report** ☐ **External Audit** ☐ **Direct Inspection**

Policy Title: Financial Conditions and Activities (EL-5)

Date of Policy: April 27, 1999 **Frequency:** Quarterly

Global Policy Prohibition: *With respect to the actual, ongoing financial condition and activities, the General Manager shall not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from Board priorities established in the Ends Policy.*

Interpretation: The General Manager shall ensure that the District's financial position and results are consistent with Board policy and priorities and are fiscally prudent.

Compliance: This report constitutes my assurance that, as reasonably interpreted, these conditions have not occurred and further, that the data submitted below are accurate as of this date, March 31, 2021.

Signed _____ 4-26-2021
John A. Haarlow, CEO Date

Signed J. Scott Jones April 26, 2021
J. Scott Jones, CFO Date

Summary Data: See attached financial and budget results.

1. **Policy Prohibition:** *Accordingly, she or he shall not use any rate stabilization fund reserves without Board authorization.*

   Interpretation: The District shall hold in reserves any amounts designated by the Board for the Rate Stabilization Reserve. This reserve shall be reduced only by Commission action.

   Conclusion: During the 1st quarter of 2021 this Executive Limitation was followed with no exceptions.

Summary Data: The Rate Stabilization fund was not reduced during the 1st Quarter of 2021.

2. **Policy Prohibition:** *Accordingly, she or he shall not pay any judgment or settle any claim with funds from the District's self-insurance fund unless authorized by the Board.*

   Interpretation: No claim settlement will be paid out of the District's self-insured retention fund without first obtaining commission approval.

   Conclusion: During the 1st quarter of 2021, this Executive Limitation was followed with no exceptions.

   Summary Data: The Self Insurance Fund totals $10.0 million as of March 31, 2021. No claims were paid out of the District's Self-insured Retention Fund during the 1st quarter of 2021. All other claims settlements authorized by the Risk Management department were paid from the department's annual claims settlement budget.

3. **Policy Prohibition:** *Accordingly, she or he shall not fail to present the Board in Executive Session, on at least a quarterly basis, a report regarding all significant lawsuits filed against the District and any other legal issues which could result in significant financial exposure for the District.*

   Interpretation: Lawsuits that could materially affect the financial viability of the District will be reported to the Commission. Also included will be any other potential legal issues that may pose significant concerns in the future.

   Conclusion: During the 1st quarter of 2021, this Executive Limitation was followed with no exceptions.

   Summary Data: This requirement is being met quarterly by a confidential litigation memorandum to the Board and General Manager from the General Counsel who has assumed the responsibility for ensuring that the Commission is kept current on any significant pending or potential litigation or issues that could result in significant exposure for the District. Cases on that memorandum are discussed in Executive Session on an as-needed basis.

4. **Policy Prohibition:** *Accordingly, she or he shall not fail to settle payroll and debts in a timely manner.*

   Interpretation: Payroll and all other accounts payable will be paid in a timely manner.

   Conclusion: During the 1st quarter of 2021, this Executive Limitation was followed with no exceptions.

Summary Data: Payroll and all other payables were made in a timely manner during the 1st quarter of 2021.

5. **Policy Prohibition:** *Accordingly, she or he shall not allow tax payments or other government-authority ordered payments or filings to be overdue or inaccurately filed.*

   Interpretation: Tax payments will be made in a timely manner, avoiding penalties and interest.

   Conclusion: During the 1st quarter of 2021, this Executive Limitation was followed with no exceptions.

   Summary Data: During this quarter all applicable local, state, and federal tax payments and obligations were made in a timely manner.

6. **Policy Prohibition:** *Accordingly, she or he shall not fail to aggressively pursue receivables after a reasonable grace period to the extent it is cost effective to do so.*

   Interpretation: Accounts receivable are handled according to written District Policies, Procedures, and Guidelines. Past due accounts receivable are pursued in a cost effective manner based on credit guidelines, customer circumstance, and staffing availability.

   Conclusion: During the 1st quarter of 2021, this Executive Limitation was followed with no exceptions.

   Summary Data: The ratio of net bad debts written off to total revenue on a rolling 12-month basis was 0.15% as of March 31, 2021. The District is making every effort to pursue receivables while maintaining compliance with the Board of Commissioner's direction on customer assistance in response to the COVID-19 pandemic and proclamation 20-23.2 which prohibits disconnection of residential service due to nonpayment as well as late fees and disconnection fees.

7. **Policy Prohibition:** *Accordingly, she or he shall not, without prior approval of the Board, compromise or settle:*

   A. *An employee claim when a lawsuit has been filed.*

   B. *An employee claim where a lawsuit has not been filed when the settlement is greater than $25,000, including attorney fees or other expenses, but not including the value of any outplacement or educational assistance, increased length of notice of termination or other non-cash benefits. Such settlements shall be recorded with the Board as incidental reports within thirty (30) calendar days of the settlement.*

C. *A claim against the District when a lawsuit has been filed where the settlement is greater than $25,000, including attorney fees or other expenses.*

D. *Any other demand or claim by or against the District for a monetary amount greater than $100,000.*

Interpretation: General Counsel and Risk Management will ensure that the Commission shall be informed when an employee files a lawsuit, a settlement greater than $25,000 is made with an employee, a lawsuit greater than $25,000 is filed, or any other demand greater than $100,000 is made against the District.

Conclusion: During the 1st quarter of 2021, this Executive Limitation was followed with no exceptions.

Summary Data: This requirement is being met by General Counsel in Executive Session. General Counsel has assumed the responsibility for ensuring that the Commission is kept current on any employee claims when a lawsuit is filed, employee settlements greater than $25,000, and any lawsuits or potential claims greater than $100,000 with the exception of claims handled by Risk Management.

8. Policy Prohibition: *Accordingly, she or he shall not execute modifications to the collective bargaining agreements between the District and the International Brotherhood of Electrical Workers (IBEW) that:*

A. *Relate to compensation including, but not limited to, wages or benefits;*

B. *Are unbudgeted; or*

C. *Cumulatively exceed $100,000 in any fiscal year.*

Interpretation: The District's Collective Bargaining Agreement (CBA) with IBEW Local #77 will not be modified without approval of the Board of Commissioners when the modifications involve any one of the following:

- Changes to the wage rate(s) for any Union Classification
- Changes to the overtime rate for any Union Classification
- Any new job classification and corresponding wage rate
- Any change to the formula for the District's contribution for health and welfare benefits
- An increase in the District's budget
- Contractual changes which result in an accumulation of cost changes which exceed $100,000 annually

Compensation changes which involve items other than the above (e.g., tool allowance, boot/clothing allowances, fair share premiums, rest time, stand-by time, travel time, high time) do not require approval from the Board of Commissioners.

Conclusion: There have been no incidents of non-compliance with this Policy Prohibition during the 1st quarter of 2021 reporting year.

Summary Data:

- State law requires that changes in wage rates require approval of the Board of Commissioners. This includes establishing wage rates for new classifications. No proposed wage changes for union classifications have been made without the approval of the Board of Commissioners and our current overtime rate has not been changed.

- The formula for the District's contribution for health and welfare benefits is outlined in the CBA. No changes in this formula have occurred without approval from the Commission.

PUD

Financial and Budget Results - First Quarter 2021

Presented by J. Scott Jones,
Chief Financial Officer
May 4, 2021
Last Presented March 23, 2021

Board of Commissioners:

Sidney “Sid” Logan • Tanya “Toni” Olson • Rebecca Wolfe

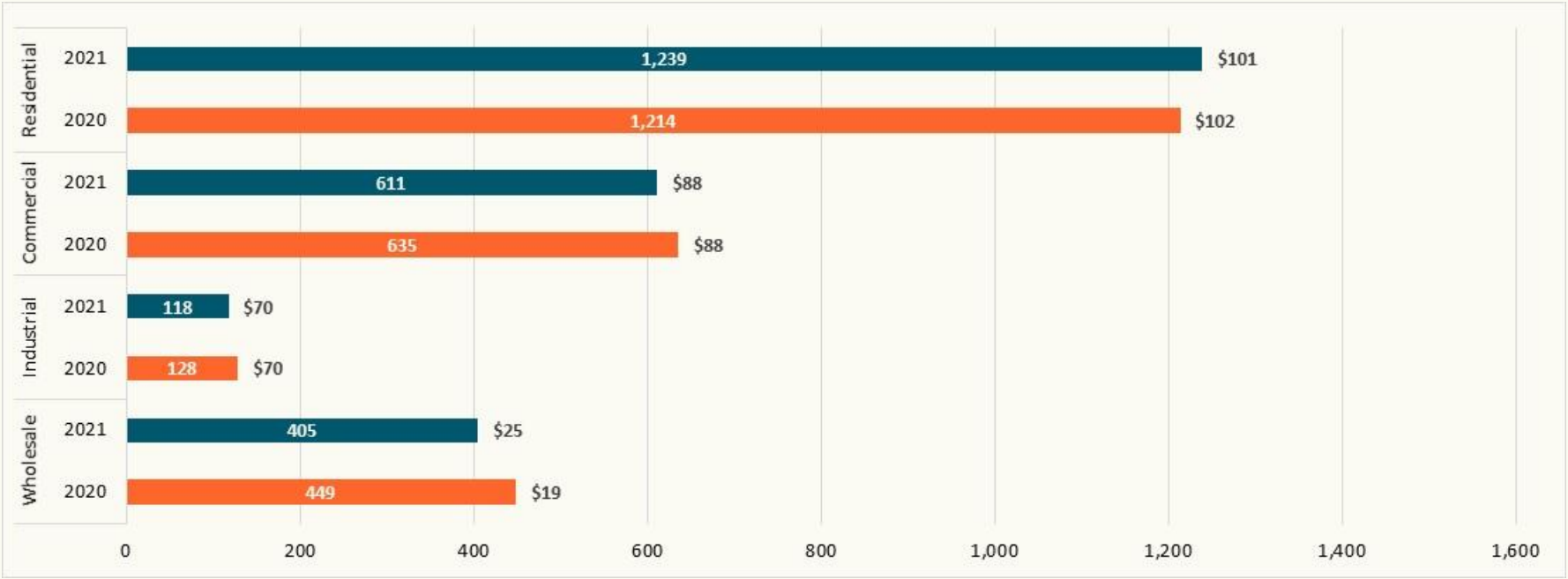
Statement of Operations
Electric and Generation Systems
YTD Through March 31, 2021
(millions)

	2020	Actual vs. Prior Year	2021	Actual vs. Budget	Budget
Operating Revenues					
Retail Sales	$185	+0	$185	-2	187
Wholesale Revenue	9	+1	10	-1	11
Other Revenues	9	-1	8	+0	8
Total Operating Revenues	**203**	**+0**	**203**	**-4**	**207**
Operating Expenses					
Purchased Power	79	-1	78	+2	76
Operation and Maintenance	62	+7	69	+6	63
Depreciation Expense	16	+0	16	+2	14
Taxes	12	+0	12	+1	11
Total Operating Expenses	**169**	**+6**	**175**	**+11**	**164**
Net Operating Income	**34**	**-6**	**28**	**-15**	**43**
Other Income & Expense	1	-1	0	-1	1
Interest Income	8	-8	0	-1	1
Interest Charges	(5)	+1	(4)	+0	(4)
Capital Contributions	6	+1	7	+0	7
Net Income	**44**	**-13**	**31**	**-17**	**48**
Adjustments to Net Income					
Capital Expenditures	20	-0	20	-8	28

Statement of Operations
Electric and Generation Systems
YTD Through March 31, 2021
(millions)

	2020	Actual vs. Prior Year	2021	Actual vs. Budget	Budget
Operating Revenues					
Retail Sales	$185	+0	$185	-2	187
Wholesale Revenue	9	+1	10	-1	11
Other Revenues	9	-1	8	+0	8
Total Operating Revenues	**203**	**+0**	**203**	**-4**	**207**

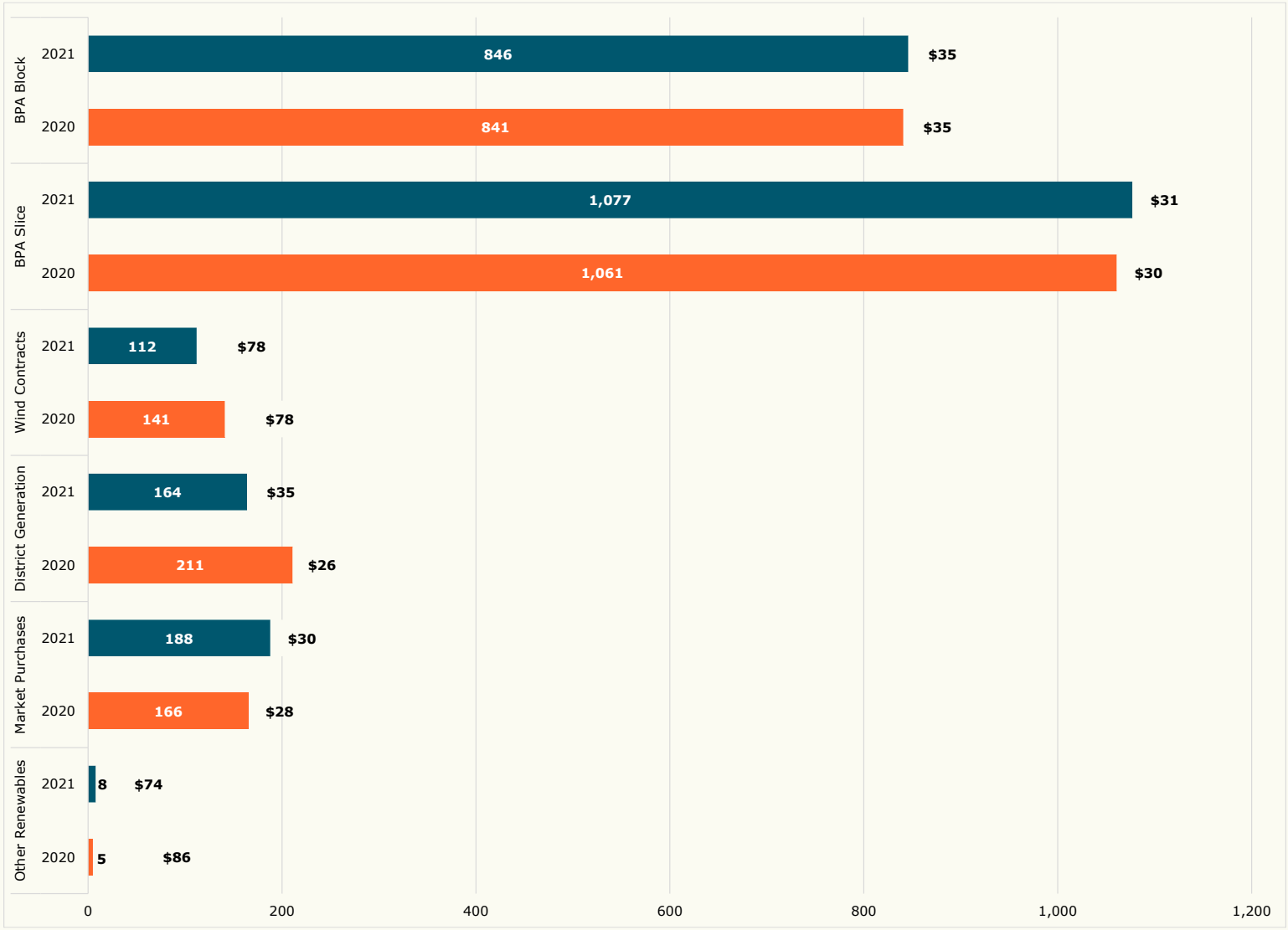
Megawatt Hours – Billed
(000's)
and Revenue per MWh



Statement of Operations
Electric and Generation Systems
YTD Through March 31, 2021
(millions)

	2020	Actual vs. Prior Year	2021	Actual vs. Budget	Budget
Operating Expenses					
Purchased Power	79	-1	78	+ 2	76
Operation and Maintenance	62	+ 7	69	+ 6	63
Depreciation Expense	16	+ 0	16	+ 2	14
Taxes	12	+ 0	12	+ 1	11
Total Operating Expenses	**169**	**+ 6**	**175**	**+ 11**	**164**

Megawatt Hours – Power Supply
(000's)
and Cost per MWh



Statement of Operations
Electric and Generation Systems
YTD Through March 31, 2021
(millions)

	2020	Actual vs. Prior Year	2021	Actual vs. Budget	Budget
Other Income & Expense	1	-1	0	-1	1
Interest Income	8	-8	0	-1	1
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Adjustments to Net Income					
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Statement of Operations
Electric and Generation Systems
YTD Through March 31, 2021
(millions)

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Net Income	**44**	**-13**	**31**	**-17**	**48**
Adjustments to Net Income					
Capital Expenditures	20	-0	20	-8	28

Financial Condition Indicators
Electric and Generation Systems

	As of March 31, 2019	2020	2021
Reserves (in millions)			
Operating Reserves (Revenue Fund)	$ 167	$ 154	$ 152
Operating Reserves (Debt Management Fund)	90	90	80
Contingency Reserves	125	125	125
Benefits Reserves	31	34	36
Sinking Reserve	24	16	14
Bond Debt Service Reserves	31	25	20
Project Reserves	13	13	11
Current Ratio *(Current Assets / Current Liabilities)*	2.4	2.7	2.7
Debt Indicators including Generation System			
Outstanding Bonds (in millions)	$ 436	$ 399	$ 380
Debt to Capital Assets Ratio	0.19	0.16	0.15
Senior Lien Debt Service Coverage (12 mos ended)	2.1x	2.8x	3.2x
Bond Rating			
Fitch	AA-	AA-	AA-
Standard & Poors	AA-	AA-	AA-
Moody's	Aa3	Aa2	Aa2

Electric System Operating Indicators

	March 31		
	2019	**2020**	**2021**
Megawatt-Hours Billed			
Retail MWh Sales - Billed	2,042,548	1,984,144	1,974,899
Wholesale MWh Sales	261,081	448,593	404,628
Total MWh Sales - YTD	**2,303,629**	**2,432,737**	**2,379,527**
Net Write Offs to Sales (12 months) %	0.27%	0.27%	0.15%
Net Write Offs (12 months)	$ 1,685,940	$ 1,664,748	$ 918,189
Avg Power Cost/KWh	$ 0.046	$ 0.035	$ 0.035
New Customer Connections	1,109	1,465	1,395
Total Active Customers	353,311	359,834	365,139

Statement of Operations
Water System
YTD Through March 31, 2021
(thousands)

	2020	Actual vs. Prior Year	2021	Actual vs. Budget	Budget
Operating Revenues					
Retail Sales	$2,923	+ 50	$2,973	-162	$3,135
Wholesale Revenue	149	+ 1	150	+ 28	122
Other Revenues	87	-14	73	-20	93
Total Operating Revenues	**3,159**	**+ 37**	**3,196**	**-154**	**3,350**
Operating Expenses					
Purchased Water	510	+ 49	559	-212	771
Operation and Maintenance	1,441	+ 182	1,623	-38	1,661
Depreciation Expense	795	+ 18	813	+ 42	771
Taxes	166	+ 2	168	-3	171
Total Operating Expenses	**2,912**	**+ 251**	**3,163**	**-211**	**3,374**
Net Operating Income	**247**	**-214**	**33**	**+ 57**	**(24)**
Other Income & Expense	0	+ 0	0	+ 0	0
Interest Income	255	-239	16	-57	73
Interest Charges	(74)	+ 7	(67)	+ 102	(169)
Capital Contributions	1,169	+ 754	1,923	+ 606	1,317
Net Income	**1,597**	**+ 308**	**1,905**	**+ 708**	**1,197**
Adjustments to Net Income					
Capital Expenditures	1,456	+ 1,182	2,638	+ 1,387	1,251

Water System Financial Condition Indicators

	March 31 - YTD		
	2019	**2020**	**2021**
Reserves (amounts in thousands)			
Operating Reserve	$ 9,704	$ 7,271	$ 7,228
Contingency Reserves	1,500	1,500	1,500
Sinking Reserve	759	722	733
Bond Debt Service Reserve	1,219	418	418
Project Reserve	8,715	11,843	14,986
Current Ratio			
(Current Assets/Current Liabilities)	2.9	3.1	2.7
Debt Indicators			
Outstanding Water System Debt (in thousands)	$ 19,131	$ 14,512	$ 13,076
Debt to Capital Assets Ratio	0.12	0.09	0.08
Senior Lien Debt Service Coverage	4.0x	4.6x	5.2x
Bond Rating			
Moody's	Aa2	Aa2	Aa2
Standard & Poors	AA	AA	AA

Water System Operating Indicators

	March 31 - YTD		
	2019	**2020**	**2021**
Water System Cubic Feet Sold (in thousands)			
Retail	39,995	40,389	41,869
Wholesale	5,372	6,383	6,243
Water System Rates/CCF			
Retail (includes surcharges)	$ 7.22	$ 7.24	$ 7.10
Wholesale	$ 2.33	$ 2.34	$ 2.40
Purchased Water Cost per CCF	$ 1.39	$ 1.45	$ 1.58
New Customer Connects - YTD	1,019	617	781
Total Active Customers	21,451	22,010	22,644

BUSINESS OF THE COMMISSION

Meeting Date: May 4, 2021 **Agenda Item:** 5B

TITLE

Consideration of a Resolution Ratifying and Approving the Northwest Power Pool Membership Agreement, Ratifying Prior Payments, and Authorizing Additional Payments

SUBMITTED FOR: Items for Individual Consideration

Transmission Management	John Martinsen	8080
Department	*Contact*	*Extension*

Date of Previous Briefing: April 20, 2021
Estimated Expenditure: $572,683.77 Presentation Planned ☐

ACTION REQUIRED:

☒ Decision Preparation ☐ Incidental (Information) ☐ Monitoring Report
☐ Policy Discussion
☐ Policy Decision
☒ Statutory

SUMMARY STATEMENT

Identify the relevant Board policies and impacts:

Governance Process, Board Job Description: GP-3(4) … non-delegable, statutorily assigned Board duties: Subsection (E), Contracts. Commission action is required to authorize a contract where cumulative expenditures will exceed a set amount.

The Northwest Power Pool (NWPP) is a voluntary member organization that aims to achieve the maximum benefits of coordinated operations. NWPP members including major generating utilities serving the Northwestern United States, British Columbia, and Alberta. A list of members can be found on the NWPP website at www.nwpp.org/about/members.

On December 1, 1995, the District executed the Northwest Power Pool Agreement (the NWPP Membership Agreement), thereby becoming a Member of the NWPP. The District signed the most recent amendment on December 6, 2017. The NWPP Membership Agreement defines eligibility for membership and Member rights and obligations with respect to NWPP and its committees. NWPP activities are largely determined by major committees.

Those committees in which the District participates, and their primary responsibilities, are as follows:

- the Operating Committee, which fosters communication and coordination among NWPP members with the aim of achieving reliable operation of the Northwest Interconnected System; and
- the Transmission Planning Committee, which is a forum for addressing Northwest electric planning issues and concerns and includes a structured interface with outside stakeholders.

While the NWPP Membership Agreement has been amended several times since 1995, District staff could not locate a Commission resolution authorizing continued participation in NWPP and its committees. Given the importance of the organization, and the cumulative dollar amount of the NWPP Membership Agreement, District staff is requesting the Commission ratify the prior execution of the NWPP Membership Agreement and associated amendments, ratify the prior payment of invoices related to the agreement and its amendments, and authorize future expenditures based on the amounts set forth in the District's annual budget.

Annual expenditures related to the NWPP Membership Agreement vary by year, with the current amount spent from 1995 to today totaling $452,683.77. The 12-month term of the agreement begins on July 1 and concluding on June 30. District staff is budgeting an additional $120,000 through December 2021, bringing the total dollar value of the NWPP Membership Agreement through calendar year 2021 to $572,683.77.

For expenditures beginning in calendar year 2022, the attached resolution provides that payments required by the NWPP Membership Agreement will be set forth in the annual budget. Should the Commission approve the budget as part of its routine budget approval process, then the expenditures related to the NWPP Membership Agreement would also be approved.

In addition, from time-to-time the District enters into separate agreements with NWPP to carry out specific projects or services. An example of a separate agreement is the NWPP Resource Adequacy effort. Those separate agreements, including any agreement with NWPP related to Resource Adequacy, are separate and distinct from the NWPP Membership Agreement are evaluated and approved apart from the NWPP Membership Agreement being presented to the Commission today. Based on the circumstances of each separate agreement, Commission approval may be required. The attached resolution does not change or alter the approval process for these separate activities.

List Attachments:
Resolution

RESOLUTION NO. _____

A RESOLUTION Ratifying and Approving the Northwest Power Pool Membership Agreement, Ratifying Prior Payments, and Authorizing Additional Payments

WHEREAS, the Northwest Power Pool (NWPP) is a voluntary member organization that aims to promote cooperation among the members in order to achieve reliable and efficient operations; and

WHEREAS, the District executed the current Northwest Power Pool Agreement (the NWPP Membership Agreement) on December 1, 1995; and

WHEREAS, members of the NWPP cooperate through their participation in various committees, and the expenses attributable to each committee are borne by those members participating in that committee; and

WHEREAS, District staff participate in several NWPP committees, including the Operating Committee and the Transmission Planning Committee; and

WHEREAS, District staff determined that payments exceeding $450,000 have been made to NWPP under the NWPP Membership Agreement since 1995, and District staff have been unable to locate Commission authorization of the Agreement and the associated payments; and

WHEREAS, District staff believe that continued membership in NWPP, and participation in its committees, is in the best interests of the District; and

WHEREAS, staff has recommended that the NWPP Membership Agreement and associated past payments be ratified and approved by the Commission, that additional payments for calendar year 2021 be authorized, and that future payments required by the NWPP Membership Agreement be set forth in the budget and approved in conjunction with the Board of Commissioners routine budget approval process.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 1 of Snohomish County as follows:

1. The NWPP Membership Agreement, as originally executed in 1995 and as subsequently amended, is hereby ratified and approved;
2. The payments by the District of any and all amounts previously paid to NWPP under the NWPP Membership Agreement are hereby ratified and approved;
3. The General Manager or his or her designee is authorized to make additional payments to NWPP as required by the NWPP Membership Agreement for the remainder of calendar year 2021, not to exceed an additional $120,000;
4. The General Manager or his or her designee shall be authorized to make the payments required by the NWPP Membership Agreement, provided that the District's Board of Commissioners approves the specific expenditures associated with NWPP membership in conjunction with its routine annual budget approval process.

PASSED AND APPROVED this 4th day of May, 2021.

_____
President

_____
Vice-President

_____
Secretary

BUSINESS OF THE COMMISSION

Meeting Date: May 4, 2021 **Agenda Item:** 5C

TITLE:

Consideration of A Resolution to Authorize the CEO/General Manager to Execute a Biogas Generator Facilities Sublease and Operations Agreement with Qualco Energy Corporation

SUBMITTED FOR: Items for Individual Consideration

Generation	Jason Zyskowski	4332
Department	*Contact*	*Extension*

Date of Previous Briefing: April 20, 2021
Estimated Expenditure: $1.5 M Presentation Planned ☐

ACTION REQUIRED:

☒ Decision Preparation ☐ Incidental (Information) ☐ Monitoring Report
☐ Policy Discussion
☐ Policy Decision
☐ Statutory

SUMMARY STATEMENT:

Identify the relevant Board policies and impacts:

Governance Process, Board Ends Policies: E 2.2 Utilities are in adequate supply with reasonable reserves; and 4.3. The environment is enhanced by the use of renewable resources

District Staff have been evaluating the sublease of the generation facilities associated with the Qualco biodigester site. The existing site is owned by the Tulalip Tribes and leased to operation by Qualco Energy Corporation. Staff have studied the historical biogas production and found that it supports a larger capacity than the present 450-kW output of the site. Staff reached a non-binding agreement on terms related to operation and maintenance of the site and expected revenue to Qualco based on a cost-recovery formula dependent on capacity factor. Per the non-binding agreement, Qualco will operate the substrate feed and digester, and the District will own and operate the generation elements.

A bid for a Combined Heat and Power (CHP) equipment package was advertised with bids received March 24, 2021. Life-cycle lowest cost in $/kWh was conducted by an independent consultant (Regenis) and favors the 675-kW CHP package proposed by Martin Energy Group.

After an extensive due diligence process, staff have negotiated the terms and conditions for a sublease of the powerhouse and adjoining facilities required for installation and operation of a biogas generator by District staff fueled by biogas created by the Qualco digester.

There are no known issues with State agencies, Tulalip Tribes or local regulators. The existing Puget Sound Clean Air Agency permit for the site will need to be amended.

Approval of this Resolution will authorize the General Manager to execute the sublease agreement and equipment purchase agreements, and to take any other actions reasonably necessary to prepare the project, including but not limited to additional studies to support permitting, and design of ancillary improvements related to the increased electrical output including SCADA, metering, system protection, etc.

List Attachments:

Resolution
Exhibit – Sublease and Operations Agreement

RESOLUTION NO. _____

A RESOLUTION to Authorize the CEO/General Manager to Execute a Biogas Generator Facilities Sublease and Operations Agreement with Qualco Energy Corporation

WHEREAS, Qualco Energy Corporation ("Qualco") currently leases certain property and equipment from the Tulalip Tribes of Washington to produce biogas, mainly from local dairy waste through an anaerobic digester, which is used to fuel an electric generating facility; and

WHEREAS, the Qualco generating facility was interconnected to the electrical system of Public Utility District No. 1 of Snohomish County (the "District") in 2008; and

WHEREAS, Qualco has been selling the electrical output to the District since January 2014 under a Small Renewable Generation Power Purchase Agreement approved by the District's Board of Commissioners (the "Board") in Resolution No. 5663, and as amended in Resolution Nos. 5884, 5932, and 5998; and

WHEREAS, in May, 2020, the District and Qualco executed an access agreement that allowed the District access to Qualco's generating facility for the District to gather certain information as the District considered a future collaboration with Qualco; and

WHEREAS, in October, 2020, the District and Qualco executed a letter of intent under which the District proposed to: (a) lease the Qualco powerhouse, (b) add a new generator in the powerhouse that the District will own and operate, (c) pay a gas payment to Qualco for the fuel to operate the generator, and (d) have the option to purchase the existing generator; and

WHEREAS, a generating facility fueled by biogas is an eligible renewable resource under the Washington State's Energy Independence Act, it meets the greenhouse gas emissions performance standard pursuant to RCW 80.80.040, and continued energy contributions from

this resource is consistent with the District's 2019 Integrated Resource Plan, which included it in the District's portfolio of energy contracts; and

WHEREAS, the Board approved today the purchase of a combined heat and power (CHP) and auxiliary system as part of the District Staff proposal to install a new generator at the Qualco powerhouse contingent upon the Board's approval of this resolution; and

WHEREAS, District Staff recommends that the Board authorize the execution of the Biogas Generator Facilities Sublease and Operations Agreement, and the Board of Commissioners believes that such execution is in the best interests of the District and its ratepayers.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of Public Utility District No.1 of Snohomish County, Washington, hereby authorizes the CEO/General Manager or his designee to execute the Biogas Generator Facilities Sublease and Operations Agreement, substantially in the form in the attached Exhibit.

PASSED AND APPROVED this 4th day of May, 2021.

_____
President

_____
Vice-President

_____
Secretary

BIOGAS GENERATOR FACILITIES SUBLEASE AND OPERATIONS AGREEMENT

This biogas generator facilities sublease and operations agreement ("Agreement") is dated _____, 2021, and is between Public Utility District No. 1 of Snohomish County, Washington ("District"), a municipal corporation organized and existing under the laws of the State of Washington and Qualco Energy Corporation ("Qualco"), a non profit corporation organized and existing under the laws of the State of Washington.

RECITALS

Qualco leases from the Tulalip Tribes of Washington and operates (i) an anaerobic digester ("Digester"), and (ii) a powerhouse, which includes a 450kW electric generating facility fueled by the biogas generated by the digester, all located at 18117 203rd St. SE, Monroe, Washington, 98272.

The existing generator is interconnected with, and operates in parallel with, the District's electric system under an Interconnection Agreement dated August 6, 2008 ("Interconnection Agreement").

The District purchases all of the electrical energy and the associated nonpower attributes from the existing generator under a Small Renewable Generation Power Purchase Agreement dated December 23, 2013, as amended from time to time ("Power Purchase Agreement").

On May 25, 2020, the parties executed an access agreement that allowed the District access to Qualco's generating facility for the District to gather certain information as the District considered a future collaboration with Qualco ("Access Agreement").

On October 26, 2020, the parties executed a letter of intent under which the District proposed to: (a) lease the Qualco powerhouse, (b) add a new generator in the powerhouse that the District will own and operate, (c) pay a gas payment to Qualco for the fuel to operate the generator, and (d) have the option to purchase the existing generator.

Since the signing of the letter of intent, the parties have finalized the terms and conditions governing the District's proposal, which are reflected in this Agreement.

The parties therefore agree as follows:

1. Term

a. This Agreement will become effective on _____ 1, 2021, and shall continue in effect for a period of seven years. The District may elect to extend the term of this Agreement for up to twelve (12) months by providing written notice to Qualco no less than ninety (90) days prior to the expiration of this Agreement.

b. Either party may terminate this Agreement upon occurrence of an Event of Default by the other party. This Agreement may also be terminated upon mutual

written consent of the parties.

2. Termination of Access Agreement

Notwithstanding any other provision in the Access Agreement, the Access Agreement shall terminate upon the effective date of this Agreement.

3. Sublease

a. Grant of Sublease. Qualco does hereby sublease to the District the subleased premises as are more particularly described on Exhibit A, attached hereto and made a part hereof.

The subleased premises specifically include the powerhouse and all parking areas, but specifically excludes the existing generator and the Digester and any equipment and appurtenances thereto located near the powerhouse.

Qualco warrants that Qualco is the lease holder of the subleased premises and that the Tulalip Tribes of Washington is the fee owner of the subleased premises. Qualco further covenants that there is no existing sublease, whether written or oral on any premises to be occupied by the District and that there are no other sublessees currently occupying such premises.

b. Access. Parking at the powerhouse and access to the powerhouse shall be shared with Qualco personnel accessing, housing and/or maintaining equipment needed for Digester operation. The parties will coordinate and cooperate to secure access to the powerhouse.

c. Ownership of Existing Generator. Qualco shall retain ownership of the existing generator in the powerhouse unless the District exercises its option under Section 7 to purchase it.

d. Payment.

i. Initial Sublease Payment. Upon execution of this Agreement, the District will pay Qualco a monthly payment of $250.00 to prepare and install the new generator in the powerhouse.
ii. Increased Sublease Payment. The District will pay a monthly sublease payment of $2,500.00 starting on the commercial operation date of the new generator. Such monthly sublease payment shall continue throughout any extension of this Agreement pursuant to Section 1.a.
iii. All sublease payments will be inclusive of insurance, taxes, and utilities.

e. Use and Maintenance of Subleased Premises. Qualco warrants that the building, improvements, and any equipment on or in the subleased premises are in good condition and repair.

Except as set forth herein, the District shall have the peaceful and quiet enjoyment of the subleased premises without hindrance on the part of Qualco, and Qualco will warrant and defend the District in such peaceful and quiet enjoyment of the subleased premises against the lawful claims of all persons claiming by, through or under Qualco.

i. Use of Subleased Premises. The District shall use and occupy the subleased premises throughout the term solely for the purposes associated with and to carry out the terms of this Agreement. The District shall not use or allow the subleased premises to be used for any purpose other than those contemplated by this Agreement.

1. Right to Construct Improvements. The District shall have the right to construct improvements reasonably associated with the generation of power on the subleased premises. The District shall also have the right to operate, maintain, repair and store all materials, tools, consumables, equipment or other items reasonably associated with the procurement, construction, maintenance and operation of the generation. The District shall also have the right to maintain operational offices related to the construction, operation and maintenance of its use of the subleased premises, including additional vehicle access and parking to those already provided under Section 2.b. For the avoidance of doubt, the District will have no obligation whatsoever to improve or alter the subleased premises. Improvements contemplated by the District include safety, fire-protection, sanitary and tool storage improvements. The District shall provide Qualco with preliminary plans for structural improvements for agreement, which agreement shall not be unreasonably withheld or delayed. The District is permitted to make any improvements of any kind or nature to the non-structural parts of the subleased premises without the prior consent of Qualco.

2. Additions and Alterations. The District shall have the right during the sublease term to make alterations, attach fixtures, and erect additions to the District's improvements provided that: (a) all such alterations shall be pursued promptly to completion and shall be completed in a good and workmanlike manner; and (b) shall be performed in compliance with all applicable federal, state, and local laws, rules and regulations.

3. Signage. The District may place in and about the subleased premises such neat and appropriate signs advertising its business as it shall desire. The District shall maintain such signs, normal wear and tear, acts of God, and other such casualties excepted. Upon the

termination of this Agreement, the District shall remove all signs and repair any damage to the subleased premises caused by the erection, maintenance, or removal of the signs; normal wear and tear, acts of God, and other such casualties excepted.

4. Title. The District shall retain title to any readily removable additions or improvements, and to all personal property and trade fixtures.

ii. Maintenance and Repair. Qualco shall, throughout the remaining term of this Agreement and any extension thereof, be responsible for the payment of all repair or replacements to the roof, the ceilings, doors and door frames, windows and window frames, and inside walls of the structural portion of the subleased premises, parking areas and private roads after notice from the District of the need therefore, unless required by reason of the willful or negligent acts of the District. Nothing in this Section 3(e)(ii) excludes the District from performing, at its own expense, any of the improvements listed herein subject to Qualco's agreement, which shall not be unreasonably withheld or delayed.

f. Compliance with Code. The District warrants and represents that it will operate its business in conformance with all applicable statutes, laws, ordinances or regulations, including without limitation those relating to the storage or discharge of hazardous or toxic substances.

Qualco warrants and represents that the subleased premises comply with or are otherwise exempt to all applicable zoning code, comprehensive land use plan regulations and requirements, building code or similar restrictions and all other laws, statutes, ordinances and regulations, including without limitation those related to the storage or discharge of hazardous or toxic substances imposed by any governmental or quasi-governmental body or authority having jurisdiction over the subleased premises.

Qualco agrees that if any additional improvements are required to bring the subleased premises into compliance with any applicable zoning code, land use regulations, building code or any other laws, ordinances and regulations imposed by any governmental or quasigovernmental authority, such improvements shall be provided at Qualco's expense, excepting such improvements within the subleased premises triggered by the District's improvements, or required by the District's particular business use. The District shall, at its own expense, promptly comply with all requirements of any legally constituted public authority made necessary by reason of the District's particular business use of the subleased premises.

g. Insurance.

i. Qualco shall at all times during the term of this Agreement keep and maintain in force property insurance at current replacement cost value (RCV) on the buildings and Qualco's improvements now or hereafter located on the subleased premises and against such other hazards and in such amounts as Qualco has historically maintained.

ii. Qualco acknowledges that the District maintains a comprehensive program of risk retention and insurance and Qualco finds the District's insurance status satisfactory.

h. Destruction or Condemnation of Premises. In the event the subleased premises shall be totally destroyed or in the District's opinion is rendered substantially unfit for its accustomed purpose, the District shall be relieved of the sublease payment otherwise becoming due under Section 3(d) hereof during the period from the occurrence of such casualty to the date on which the subleased premises is fully restored and again ready for occupancy, but not to exceed a period of one hundred fifty (150) days. In case of such destruction of or damage to the subleased premises, or any portion thereof, by reason of any such casualty, Qualco, at its own cost and expense, shall restore or repair the subleased premises as soon as practicable to at least as good condition as existed immediately prior to such casualty provided the same can be completed within one hundred fifty (150) days of the casualty occurrence date, and for that purpose shall be entitled to the benefit of all insurance provided for by Section 3(g)(i) hereof covering such destruction or damage. If the amount of the insurance proceeds is insufficient to pay the cost of necessary repairs, replacement or rebuilding of the subleased premises, Qualco shall pay any additional sum required.

i. Consent to Sublease. Qualco warrants that it has received consent from the Tulalip Tribes of Washington to sublease the premises described on Exhibit A.

4. Operations

a. District Obligations.

i. New Generator Operations. Except as otherwise stated in this Agreement, the District will own, operate, and maintain the new electric generator and all ancillary equipment directly used for electric generation. The District intends, but is under no obligation, to operate the new generator (i) with a maximum output of 90% of nameplate capacity subject to the District's sole discretion, (ii) according to supply requirements and prudent management practices, and (iii) according to any directives from the Bonneville Power Administration, which is the Balancing Authority for the District.

ii. Commercial Operation Date. The District will provide Qualco written notification when the new generator commences commercial operation, which shall occur only after the District has tested the new generator to

meet industry, manufacturer, and District requirements.

iii. Interconnection. The District is responsible for all interconnection and system protection equipment and costs associated with the new generator and any future generator it may own.

iv. The District will retain all electrical output and renewable energy credits/environmental attributes produced from generation on the subleased premises.

v. Permits and Approvals. The District shall comply with all applicable federal, state, and local laws, rules and obligations with respect to the ownership, operation, and maintenance of the new electric generator, any future generator it may own, and all ancillary equipment directly used for electric generation. Qualco's existing generator, digester, and methane flare are subject to regulation by the Puget Sound Clean Air Agency ("PSCAA" or "Agency") and were constructed, installed, and established pursuant to a July ___, 2008 PSCAA Order of Approval subject to certain requirements (See Exhibit __B_).

The District will apply for any update or modifications to the PSCAA Order of Approval for the new generator and its operation, in cooperation and coordination with Qualco. Any future updates or modifications may require the District to install additional equipment on the new generator, including a catalytic converter.

vi. Gas Metering and Analysis. The District will install a gas analyzer to measure gas content and will provide data to Qualco on an annual basis when the annual emissions test is complete or upon request. If at any time, the District's gas-content meter shows gas content values that are inconsistent with any forthcoming applicable PSCAA Order of Approval or that are adversely impacting generation, the District will notify Qualco to make any necessary adjustments.

b. Qualco Obligations.

i. Existing Generator. Qualco will continue to own and maintain the existing generator unless the District exercises its option to purchase the existing generator as described in Section 7.

ii. New Generator. Qualco will support adding the District to the existing or new PSCAA Order of Approval, as may be required for the District's new generator.

iii. Digester Operations. Qualco will continue to own, operate, and maintain the Digester and all ancillary equipment directly used for digester

operation.

1. Substrates. Qualco will manage all substrate deliveries, including entering into feedstock agreements.
2. No Additives. Qualco shall not, without prior written notice to the District, add any chemical or other synthetic additive to the manure or any of its derivatives outside of the proposed utilization of the naturally occurring bacteria inherent in the Digester design.
3. Priority. Qualco shall give the District first priority for the amount of gas produced by the digester needed for electric generation. Qualco retains the rights to any biogas not used for electric generation.
4. Gas Metering and Analysis. Qualco shall provide the District with all data from existing volumetric gas flow meters on an on-demand basis.
5. Permits & Approvals. Qualco shall secure any necessary water quality and air quality permits, and all other permits, waivers, or legal requirements required by any other entity with authority over the Digester site and/or Digester operations.
6. Gas Quality. Qualco shall maintain an average H2S content below 500-ppm and shall comply with District notifications to adjust substrate and/or oxygen circulation in the Digester if at any time, the District's gas-content meter shows H2S content in excess of 500-ppm.
7. Qualco shall retain all tipping fees.

c. Inspections. Either party may inspect the other party's facilities for any reasonable purpose, at any reasonable time upon reasonable notice to the other party.

d. Maintenance Scheduling and Continuity of Service. The parties shall coordinate their respective equipment maintenance schedules so as to minimize any effects upon either party due to temporary interruptions associated with such maintenance. Either party may temporarily interrupt their operations:

i. To install equipment in, make repairs, replacements, investigations, and inspections of or perform other maintenance work on either party's facilities or equipment provided, however, that either party shall give the other party reasonable prior notice thereof, the reason therefore, and the probable duration thereof; and

ii. Without prior notice of such interruption or curtailment as may be necessary because of uncontrollable forces. The parties shall use reasonable efforts to avoid interference with the operations of the other and to repair the cause of any such interference. The parties shall use reasonable efforts to provide for effective communication protocols

between their respective operating personnel for the purpose of communicating any apparent cause and expected duration of any such interference of an extended nature.

e. Public Exhibition Tours. The parties shall coordinate their respective public education tours so as to minimize any effects upon either party by providing reasonable prior notice, the reason therefore, and the probable duration thereof.

f. Shared Equipment. The parties shall designate any equipment or facilities that are shared by the parties as "shared equipment." The owner of such shared facilities shall be responsible for the operation and maintenance of such facilities. However, the non-owner party shall reimburse the owner party fifty (50) percent of all maintenance costs.

g. Waste Heat**.** The District shall provide Qualco with waste heat for the Digestor as produced by operating the generator. To the extent that the District's generation is offline for more than five days but less than thirty (30) days, rental costs of maintaining a boiler will be apportioned according to the source of the outage (e.g., an engine failure would be the responsibility of the District, a lack of gas production would be the responsibility of Qualco). No waste heat will be provided for outages shorter than five days. For outages more than thirty (30) days, a rental boiler will not be maintained for the full duration. Costs associated with a restart of the Digestor after an outage of more than thirty (30) days will be apportioned according to the source of the outage.

5. Termination of Power Purchase Agreement and Interconnection Agreement. The August 2008 Interconnection Agreement and the December 2013 Power Purchase Agreement, as amended between the parties, shall terminate upon the commercial operation date of the new generator notwithstanding any other provision of those agreements.

6. Gas Payment. The District will pay Qualco a monthly amount for gas used for the electrical output of generation located on the subleased premises as described in Exhibit __C_commencing on the commercial operation date of the new generator and through the remaining initial seven (7)-year term of this Agreement.

7. Option to Purchase Existing Equipment. The District will have the option within 90 days of the commercial operation date of the new generator to purchase the existing generator and all ancillary equipment necessary for electric generation. The parties will identify a mutually agreed upon third party to set a purchase price based on the current depreciated value of this equipment. The District, in its sole discretion, shall choose to overhaul or replace the existing generator.

8. Invoices and Payments. Not later than twenty (20) days after the last day of each month ("Due Date"), District shall prepare and submit to Qualco a statement for the preceding month reflecting the electrical generation produced at the subleased

premises and the associated capacity factor, along with the corresponding gas payment and sublease payment.

a. Late Payment. Payments not received on or before the applicable Due Date shall be considered overdue. Interest shall accrue on any unpaid overdue amounts at one percent (1%) per month or the maximum judgment interest rate permitted by law, whichever is less, from the date due until such payment is made.

b. Bill Disputes. In the event that any portion of any invoice is in dispute, the disputed amount shall be paid, under protest, on or before the Due Date. Upon determination of the correct billing amount, the adjustment, with interest, shall be paid to the party to whom it is owed by the other party within thirty (30) days after such determination. The interest rate applied to such disputed amount shall be one percent (1%) per month or the maximum judgment interest rate permitted by law, whichever is less, from the original due date to the date upon which the adjustment payment is made.

c. Records. Each party shall keep proper books of records and account, in which full and correct entries shall be made of all dealings or transactions of or in relation to this Agreement.

d. Audit Rights. Each party has the right, at its sole expense and during normal business hours, to examine the records of the other party to the extent reasonably necessary to verify the accuracy of any statement, charge or computation made pursuant to this Agreement.

9. Discussions to Revise Agreement. Notwithstanding Section 1 of this Agreement, the parties agree to enter into discussions to possibly revise the Agreement within thirty (30) days of any of the following events occurring:

a. Quality of biogas has Hydrogen Sulfide (H_2S) in excess of proportion allowed by either of the generators (expected to be <500 ppm) for a period of one (1) month;
b. The bio-digester is taken-offline for more than ninety (90) days;
c. If either party adds significant capital improvements, e.g., add generation that will use Qualco-produced biogas;
d. Material increase in gas production (e.g., 2nd digester).
e. Annual electricity production is less than 70% of the generator's nameplate capacity.

The parties also agree to enter into discussions to possibly revise the Agreement in the event of a significant new opportunity to market environmental attributes for the purpose of program qualification and revenue sharing.

10. Notices

Notification under this Agreement between the parties, except otherwise required herein, may be made by letter or electronic mail. The names, mail and electronic addresses, and telephone numbers to which such notification shall be made are set forth below. Any written notices required hereunder shall be deemed properly given if deposited in the United States mail with first class postage prepaid, properly addressed as set forth below, with a facsimile transmitted by electronic mail on the day of mailing to the e-mail address set forth below:

To District:

INSERT

To Qualco:

INSERT

The parties may change at any time the persons to whom notices, invoices, and payments are addressed, or their addresses, by providing notice thereof as specified in this Section 10.

11. Invoice and Payment. Invoices and payments shall be sent to the addresses set out below:

To District:

INSERT

To Qualco:

INSERT

12. Force Majeure

a. Force Majeure includes but is not be limited to the following: (i) physical events such as acts of God, landslides, lightning, earthquakes, fires, storms or storm warnings, such as hurricanes, which result in evacuation of the affected area, floods, washouts, explosions, breakage or accident or necessity of repairs to machinery or equipment or lines of pipe; (ii) weather related events affecting an entire geographic region, such as low temperatures which cause freezing or failure of digesters or lines of pipe; (iii) acts of others such as strikes, lockouts or other industrial disturbances, riots, sabotage, insurrections or wars; and (iv) governmental actions such as necessity for compliance with any court order, law, statute, ordinance, or regulation promulgated by a governmental authority

having jurisdiction.

b. Neither party will be liable to the other for failure to perform an obligation to the extent such failure was caused by Force Majeure; provided that:

i. The party claiming Force Majeure gives the other party prompt oral notice, and then written notice describing the particulars of the Force Majeure event, including the expected duration and probable impact on the performance of such party's obligations under this Agreement, and thereafter continues to furnish timely, regular reports with respect thereto during the continuation of the Force Majeure, as soon as is reasonably practicable, but in no event later than ten (10) days after the occurrence of such event;

ii. The suspension of performance is of no greater scope and of no longer duration than is reasonably required by the Force Majeure event;

iii. The party affected by the Force Majeure event uses commercially reasonable efforts to:

1. mitigate the effects thereof on itself and on the other party; and

2. to correct or cure the event or condition excusing performance.

iv. When the party is able to resume performance of its obligations under this Agreement, such party shall give the other party written notice to that effect and shall promptly resume performance hereunder.

c. The District's sublease payment obligation under this Agreement during or prior to the date of a Force Majeure event shall not be excused by such event of Force Majeure.

13. Indemnification

a. Covenants between parties. Each party covenants and agrees to defend, indemnify, and hold harmless the other party from and against, any claim, loss, liability, damage, or expense (including reasonable attorneys' fees, costs, and expenses) that the other party may suffer, sustain, or become subject to, as a result of a breach by the indemnifying party of any obligation of the indemnifying party contained in this Agreement.

b. Negligence of Qualco. Qualco shall defend and indemnify the District and save the District harmless from and against any and all liability, damages, costs, or expenses, including attorneys' fees, arising from any act, omission, or negligence of Qualco or its employees or agents on the subleased premises, or the officers, contractors, licensees, agents, employees, guests, invitees, or visitors of Qualco on

the subleased premises, or arising from any accident, injury, or damage, to any person or property, occurring on the subleased premises arising from the operations or conduct of Qualco pursuant to the terms of this Agreement.

c. Negligence of the District. The District shall defend and indemnity Qualco and save Qualco harmless from and against any and all liability, damages, costs, or expenses, including attorneys' fees, arising from any act, omission, or negligence of the District or its employees or agents on the subleased premises, or the officers, contractors, licensees, agents, employees, guests, invitees, or visitors of the District on the subleased premises, or arising from any accident, injury, or damage, to any person or property, occurring on the subleased premises arising from the operations or conduct of the District pursuant to the terms of this Agreement.

14. Defaults and Remedies

a. Events of Defaults. An event of default shall mean, with respect to a party (the "Defaulting Party"), the occurrence of any of the following:

i. The failure of either party to perform its obligations or operate its facilities, including the new generator and Digester, in accordance with all applicable laws and rules, operating requirements, and good utility practice, if such failure is not remedied within thirty (30) days of receipt of notice of the failure from the other party.

ii. The operation of any facility by Qualco, including but not limited to the Digester, in any manner that presents a threat to the health or safety of District employees or third parties, or presents a threat to the safe and reliable operation of the generation in the powerhouse if: (a) Qualco fails to take immediate steps to isolate the unsafe condition from the powerhouse, shut down the unsafe equipment or facilities, or otherwise alleviate the threat presented by the unsafe condition immediately upon discovery by Qualco or receipt of notice from the District; or (b) Qualco fails to take measures as soon as reasonably practicable after discovery or notice to permanently correct the unsafe condition.

iii. The operation of any facility by the District, including but not limited to the new generator, in any manner that presents a threat to the health or safety of Qualco employees or third parties, or presents a threat to the safe and reliable operation of the Digester if: (a) the District fails to take immediate steps to isolate the unsafe condition from the Digester, shut down the unsafe equipment or facilities, or otherwise alleviate the threat presented by the unsafe condition immediately upon discovery by the District or receipt of notice from Qualco; or (b) the District fails to take measures as soon as reasonably practicable after discovery or notice to

permanently correct the unsafe condition.

iv. Either party fails to make a payment when due under this Agreement if full payment is not received within sixty (60) days after notice of any unpaid amount.

b. Election to Pay; Receive Reimbursement. If either party shall default in the performance of any of its obligations or the operation of its respective facilities under this Agreement, the non-Defaulting Party may, at its election, perform such obligations and operations for the account, and at the expense, of the Defaulting Party, after first providing written notice to the Defaulting Party of its intention to do so. If the non-Defaulting Party at any time elects to pay any sum or do any act which requires the payment of any sum or entails any expense by reason for the failure of the Defaulting Party to perform such obligations or operations, or if the non-Defaulting Party is compelled to incur any expense, including reasonable attorney's fees, in commencing, prosecuting or defending any action or proceeding instituted by reason of any default of the Defaulting Party, the sum or sums so paid and the expenses and reasonable attorney's fees so incurred shall be due from the Tenant.

c. Additional Remedies. No right or remedy granted or reserved to the non-Defaulting Party under this Agreement shall be deemed to be exclusive of any other or additional right or remedy available to the non-Defaulting Party at law or in equity.

15. Limitation of Liability

NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, NEITHER QUALCO NOR THE DISTRICT SHALL BE LIABLE UNDER OR PURSUANT TO THIS AGREEMENT FOR INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO DAMAGES FOR LOST PROFITS, REVENUES OR BENEFITS, LOSS OF USE OF PROPERTY, COST OF CAPITAL, COST OF REPLACEMENT POWER OR CLAIMS FOR SERVICE INTERRUPTION, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OR EXISTENCE OF SUCH DAMAGES. This Section 15 is intended only to limit the liability of one party to the other. To the extent that liability is incurred to third parties as a result of carrying out the provisions of this Agreement, nothing in this Section 15 limits the indemnification obligations of Section 13.

16. Dispute Resolution

In the event of a dispute pertaining to this Agreement, the parties agree to attempt to negotiate in good faith an acceptable resolution before pursuing other remedies. This provision does not limit either party’s right to terminate authorized by this

Agreement.

17. General Terms

a. Governing Law, Regulatory Authority, and Rules. The validity, interpretation and enforcement of this Agreement and each of its provisions shall be governed by the laws of the state of Washington, without regard to its conflicts of law principles Venue for any action arising under or in connection with this Agreement shall be in the Superior Court for Snohomish County, Washington.

b. Amendment. The parties may amend this Agreement only by a written instrument duly executed by both parties.

c. No Third-Party Beneficiaries. This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the parties, and the obligations herein assumed are solely for the use and benefit of the parties, their successors in interest and where permitted, their assigns.

d. Waiver.

   i. The failure of a party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such party.

   ii. Any waiver at any time by either party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Any waiver of this Agreement shall, if requested, be provided in writing.

e. Entire Agreement. This Agreement, including all Exhibits and Attachments, constitutes the entire agreement between the parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the parties with respect to the subject matter of this Agreement. There are no other agreements, including Qualco's lease agreement with the Tulalip Tribes of Washington, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, either party's compliance with its obligations under this Agreement.

f. Multiple Counterparts. This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

g. No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, franchise, agency relationship, or partnership between the parties, or to impose any partnership or franchise obligation or liability upon either party. Neither party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other party, except as expressly set forth herein.

h. Environmental Releases. Each party shall notify the other party, first orally and then in writing, of the release of any hazardous substances, any asbestos or lead abatement activities, or any type of remediation activities related to the subleased premises or the Digester, each of which may reasonably be expected to affect the other party. The notifying party shall (i) provide the notice as soon as practicable, provided such party makes a good faith effort to provide the notice no later than 24 hours after such party becomes aware of the occurrence, and (ii) promptly furnish to the other party copies of any publicly available reports filed with any governmental authorities addressing such events. Each party shall be responsible for taking actions required to remedy such Environmental Release for facilities which they own and shall take such actions in a timely fashion.

i. Subcontractors. Nothing in this Agreement shall prevent a party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this Agreement; provided, however, that each party shall require its subcontractors to comply with all applicable terms and conditions of this Agreement in providing such services and each party shall remain primarily liable to the other party for the performance of such subcontractor.

    i. The creation of any subcontract relationship shall not relieve the hiring party of any of its obligations under this Agreement. The hiring party shall be fully responsible to the other party for the acts or omissions of any subcontractor the hiring party hires as if no subcontract had been made; provided, however, that in no event shall the District be liable for the actions or inactions of Qualco or its subcontractors with respect to obligations of Qualco under this Agreement. Any applicable obligation imposed by this Agreement upon the hiring party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such party.

    ii. The obligations under this Section will not be limited in any way by any limitation of subcontractor's insurance.

j. Assignment. Either party may assign this Agreement to another party with the advance written consent of the other party to this Agreement; such consent not to be unreasonably withheld, conditioned or delayed. No assignment, merger, or consolidation shall relieve any party of its obligations under this Agreement. Subject to the foregoing restriction in this Section, this Agreement shall be

binding upon and insure to the benefit of, and be enforceable by the parties and their respective successors and assigns.

k. Transfer of Interest/Conversion of Operations. Qualco recognizes that the District has expended and will spend significant amounts of money in the installation of the new generator in reliance on Qualco's role as supplier of the generator fuel in the form of biogas for the entire term of this Agreement. Accordingly, Qualco represents and warrants that it has no present intention to sell, lease, transfer, assign or otherwise encumber any of its interest in the Digester operations. Furthermore, Qualco agrees that, to the extent that it now has or later obtains the right to do so, it shall not sell, lease, transfer, assign or otherwise encumber any of its interest in the Digester operations during the entire term of this Agreement without the District's prior written consent; such consent not to be unreasonably withheld, conditioned or delayed. No assignment, merger, or consolidation shall relieve any party of its obligations under this Agreement. Subject to the foregoing restriction in this Section, this Agreement shall be binding upon and insure to the benefit of, and be enforceable by, the parties and their respective successors and assigns.

l. Cooperation. Each Party, upon the request of the other Party, and without further consideration, shall cooperate with the other Party by furnishing, or using commercially reasonable efforts to cause others to furnish, any additional information and/or by executing and delivering, or using commercially reasonable efforts to cause others to execute and deliver, any additional documents and/or instruments, and shall use, or cause others to use commercially reasonable efforts to do so, and shall also perform such other reasonable acts as may be requested by the other Party in connection with this Agreement.

m. Change in Law. If any statutes, rules, regulations, permits or authorizations are enacted, amended, granted or revoked by a governmental authority (including PSCAA) which have the effect of changing the transfer and sale procedure set forth in this agreement so that the implementation of this Agreement becomes impossible or impracticable, the parties agree to negotiate in good faith to amend this agreement to conform with such new statutes, regulations, or rules in order to maintain the original intent of the parties under this Agreement.

n. Severability. If any provision of this Agreement is held illegal or unenforceable, such provision shall be severed and shall be inoperative, and the remainder of this Agreement shall remain operative and binding on the parties.

IN WITNESS WHEREOF, the parties hereto have caused this to be executed in their respective names by their respective officers hereunder duly authorized.

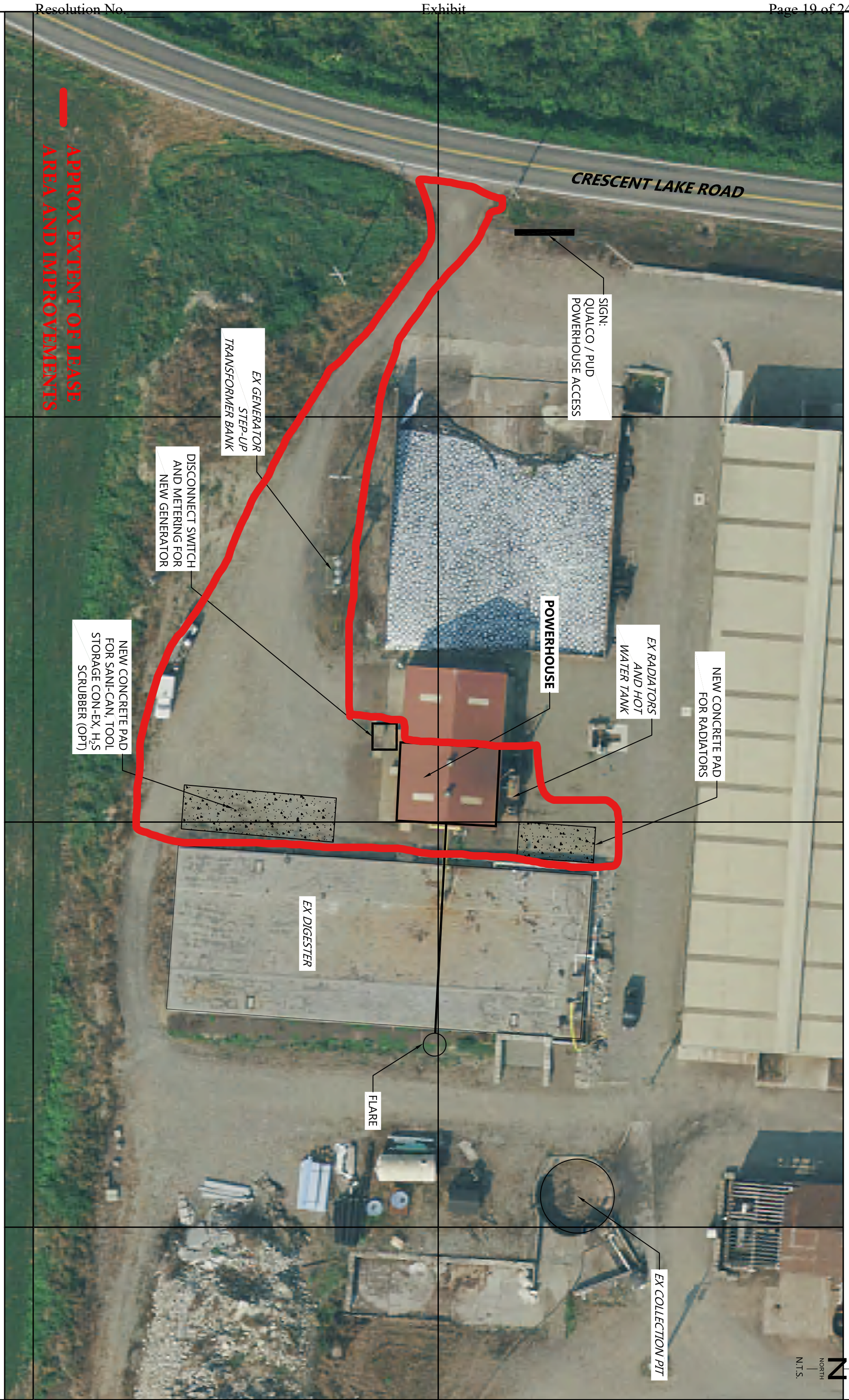
PUBLIC UTILITY DISTRICT NO.1 OF SNOHOMISH COUNTY, WASHINGTON	QUALCO ENERGY CORPORATION
By: _____	By: _____
Title:_____	Title: _____
Date: _____	Date: _____

DRAFT

EXHIBIT A

DESCRIPTION TO BE INCLUDED

DRAFT



WO	
TASK	
SCALE	N.T.S.
DFTR	S.FRESE
CHKR	
ENGR	S.SPAHR
APVD	
DATE	SEPT 2020

QUALCO

COMBINED HEAT AND POWER POWER PLANT

EXISTING SITE PLAN WITH EXTERIOR ADDITIONS

REV DRAWING

SNOHOMISH COUNTY PUD PUBLIC UTILITY DISTRICT NO 1

No	DATE	BY	DESCRIPTION	ENGR	CHKR	APVD

REVISIONS

© 2020 Public Utility District No. 1 of Snohomish County

EXHIBIT B

INSERT PSCAA ORDER

DRAFT

Puget Sound Clean Air Agency

Notice of Construction No. 9778

Registration No. 29184

Date JUL 01 2008

HEREBY ISSUES AN ORDER OF APPROVAL TO CONSTRUCT, INSTALL, OR ESTABLISH

24.7 Million Gallons per year Dairy Manure Digester, One (1) Guascor SFGLD 360 Spark Ignited 4-Stroke Lean Burn Engine Generator rated for 675 BHP using 4.4 MMBTUH of Methane to generate 450 kW of electricity for use on-site, and One (1) Groth 8391B methane flare rated for 1129 cfm for backup use.

APPLICANT

Tom McKinsey
Qualco Energy Corporation & Tulalip Tribes of WA
8802 27th Ave NE
Marysville, WA 98271

OWNER

Qualco Energy Corporation & Tulalip Tribes of V
8802 27th Ave NE
Marysville, WA 98271

INSTALLATION ADDRESS

Qualco Energy Corporation & Tulalip Tribes of WA, 18117 203rd St SE, Monroe, WA, 98271

THIS ORDER IS ISSUED SUBJECT TO THE FOLLOWING RESTRICTIONS AND CONDITIONS

1. Approval is hereby granted as provided in Article 6 of Regulation I of the Puget Sound Clean Air Agency to the applicant to install or establish the equipment, device or process described hereon at the INSTALLATION ADDRESS in accordance with the plans and specifications on file in the Engineering Division of the Puget Sound Clean Air Agency.

2. This approval does not relieve the applicant or owner of any requirement of any other governmental agency.

3. Qualco Energy shall not exceed the following one hour average limits from the Guascor internal combustion engine as measured, when the engine is operating at 50% full power or greater, by a compliance source test that follows the requirements of Regulation I, Section 3.07:

(a) 1.5 lbs/hr of NOx (EPA Method 7E), and

(b) 3.3 lbs/hr of CO (EPA Method 10).

4. Qualco Energy shall reduce the Non-Methane Organic Compounds (NMOC) in the Digester Gas, using the engine/ generator set, by 98 weight percent, or reduce the outlet NMOC concentration to less than 20 parts per million by volume, dry basis as hexane at 3 percent oxygen.

5. Qualco Energy shall develop an emission testing plan following Regulation I, Section 3.07, and conduct a source test of from the Guascor internal combustion engine within 60 days of startup, to demonstrate compliance with Conditions 3(a), 3(b) and 4 above, and submit all source test reports to the Puget Sound Clean Air Agency within 60 days of the date of the test unless otherwise approved by the Control Officer.

6. To monitor compliance with Condition Nos. 3(a) and 3(b) above, Qualco Energy shall either conduct annual source tests as in Condition No. 5, or shall perform quarterly monitoring using an exhaust gas analyzer meeting the specifications contained in (I) Steady-State Exhaust Analysis System of Appendix D-Steady-State Short Test Equipment of Subpart S-

JUL 01 2008

Inspection/Maintenance Program Requirements of Part 51 of chapter 1, Title 40 of the Code of Federal Regulations in effect as of July 1, 2000. Any quarterly monitoring result that indicates noncompliance with the conditions in this Order shall be reported to the Agency within 30 days. Otherwise, a report of the combined quarterly results shall be submitted within 30 days from the end of each calendar year in which the system is operated.

7. Qualco Energy shall maintain logs of the Guascor internal combustion engine operating hours and shall use these logs with emissions factors based on the most recent source test results to report annual emissions required by Regulation I, Article 5.

8. Qualco Energy shall not exceed 5% opacity from the engines stack aggregated for 3 minutes in any 1-hour as measured by WDOE Method 9A.

9. Facility Wide Inspections - Fugitive Dust

(a) Qualco Energy shall conduct weekly site-wide inspections of the property and the adjacent streets daily to identify:

(1) Precautions being taken with respect to material handling operations to minimize fugitive dust; and

(2) Precautions being taken with respect to vehicle movement and pad/road maintenance operations, to minimize fugitive dust; and

(3) Precautions being taken with respect to spillage of materials on traffic routes; and

(4) Prevention and removal of evidence of track out, originating from the facility.

(b) Qualco Energy shall document the results of each inspection, to include the corrective action taken (along with date and time) in response to observations which are inconsistent with respect to the O&M Plan or Puget Sound Clean Air Agency regulation.

(c) Qualco Energy shall, as soon as possible, but no later than one calendar day after identification, correct any compliance problems identified during this inspections.

10. Facility Wide Inspections - Odor & Methane:

(a) All digester gas shall be routed either to the engine generator or to the flare for combustion.

(b) Qualco Energy shall conduct inspections of the property weekly to ensure that all activities are operating in good working order to minimize the generation or release of odors.

(c) Qualco Energy shall document the results of each inspection, to include the corrective action taken (along with date and time) in response to potential compliance problems as identified in this condition and in response to operational practices which are inconsistent with respect to the O&M Plan or Puget Sound Clean Air Agency regulations.

(d) Qualco Energy shall, as soon as possible but no later than one calendar day after identification, correct any potential compliance problems identified during these inspections.

11. Complaints:

(a) Qualco Energy shall establish a meteorology station capable of measuring and recording temperature, wind speed, and

JUL 01 2008

wind direction.

(b) Qualco Energy shall establish a complaint response program as part of the O&M Plan. The program shall include a complaint phone line, criteria and methods for establishing whether Qualco Energy may be the source of emissions related to the complaint, and a format for communicating results of investigation and advising complainants of Qualco Energy's corrective actions.

(c) Qualco Energy shall record and investigate complaints received regarding air quality as soon as possible, but no later than one working day after receipt.

(d) Qualco Energy shall correct any problems identified by these complaint investigations within 24 hours of identification. Any identified problem that can not be corrected within 24 hours shall be reported to the PS Clean Air Agency with a proposed schedule for correction.

(e) Records of all complaints received regarding air quality issues shall include information regarding date and time of complaint; name and address of complainant (if known); nature of the complaint; investigation efforts completed and basis for conclusion reached; and date, time, and nature of any corrective action taken.

12. Recordkeeping Requirements:

(a) All records of observations and supporting documentation which are required by this Order shall be completed contemporaneously and no later than the end of the day picked for the weekly monitoring. Each inspection and observation required on a weekly basis by this Order shall be completed on a day when the site is in operation. No observations or record keeping is required during weeks when the site is operational for less than ½ day.

(b) All records and documentation which are required by this Order shall be maintained onsite for two years, and made available to Agency representatives upon request.

APPEAL RIGHTS

Pursuant to Puget Sound Clean Air Agency's Regulation I, Section 3.17 and RCW 43.21B.310, this Order may be appealed to the Pollution Control Hearings Board (PCHB). To appeal to the PCHB, a written notice of appeal must be filed with the PCHB and a copy served upon Puget Sound Clean Air Agency within 30 days of the date the applicant receives this Order.

Claude Williams
Reviewing Engineer
ns

Steven Van Slyke
Supervising Engineer

EXHIBIT C

To be attached

DRAFT

BUSINESS OF THE COMMISSION

Meeting Date: May 4, 2021 **Agenda Item:** 6

TITLE

CEO/General Manager's Report

SUBMITTED FOR: CEO/General Manager Report

CEO/General Manager	John Haarlow	8473
Department	*Contact*	*Extension*

Date of Previous Briefing: _____

Estimated Expenditure: _____ Presentation Planned ☐

ACTION REQUIRED:

☐ Decision Preparation
☐ Policy Discussion
☐ Policy Decision
☐ Statutory

☒ Incidental (Information)

☐ Monitoring Report

SUMMARY STATEMENT:

Identify the relevant Board policies and impacts:

The CEO/General Manager will report on District related items.

List Attachments:
None

BUSINESS OF THE COMMISSION

Meeting Date: May 4, 2021 **Agenda Item:** 7A

TITLE

Commission Reports

SUBMITTED FOR: Commission Business

Commission	Melissa Collins	8616
Department	*Contact*	*Extension*

Date of Previous Briefing: _____

Estimated Expenditure: _____ Presentation Planned ☐

ACTION REQUIRED:

☐ Decision Preparation
☐ Policy Discussion
☐ Policy Decision
☐ Statutory

☒ Incidental (Information)

☐ Monitoring Report

SUMMARY STATEMENT:

The Commissioners regularly attend and participate in meetings, seminars, and workshops and report on their activities.

List Attachments:
None

BUSINESS OF THE COMMISSION

Meeting Date: May 4, 2021 **Agenda Item:** 7B

TITLE:

Commissioner Event Calendar

SUBMITTED FOR: Commission Business

Commission	Melissa Collins	8616
Department	*Contact*	*Extension*

Date of Previous Briefing:

Estimated Expenditure: Presentation Planned ☐

ACTION REQUIRED:

☒ Decision Preparation ☐ Incidental (Information) ☐ Monitoring Report
☐ Policy Discussion
☐ Policy Decision
☐ Statutory

SUMMARY STATEMENT:

Identify the relevant Board policies and impacts:

The Commissioner Event Calendar is enclosed for Board review.

List Attachments:
Commissioner Event Calendar

Commissioner Event Calendar – 2021

May 2021

May 5 - 7:
Public Power Council/PNUCC Meetings
Virtual

May 12:
NWPPA Annual Meeting
Virtual
(Logan/Wolfe/Olson)

May 13:
Economic Alliance Snohomish County Update
Virtual
(Logan/Olson)

May 19:
PUD Customer Breakfast
Virtual
(Logan/Wolfe/Olson)

May 21:
Compass Health Grand Opening
Virtual
(Logan)

May 2021

For Planning Purposes Only and Subject to Change at any Time

Commissioner Event Calendar – 2021

June 2021

June 2 - 4:
Public Power Council/PNUCC Meetings
Virtual

June 2021

For Planning Purposes Only and Subject to Change at any Time

Commissioner Event Calendar – 2021

July 2021

June 30 - July 2:
Public Power Council/PNUCC Meetings

July 13 - 14:
APPA National Conference
Virtual
(Logan/Wolfe/Olson)

July 2021

For Planning Purposes Only and Subject to Change at any Time

Commissioner Event Calendar – 2021

August 2021

August 4 - 6:
Public Power Council/PNUCC Meetings

August 2021

For Planning Purposes Only and Subject to Change at any Time

Commissioner Event Calendar – 2021

September 2021

September 1 - 3:
Public Power Council/PNUCC Meetings

September 7-9:
NWPPA Annual Conference

September 2021

For Planning Purposes Only and Subject to Change at any Time

Commissioner Event Calendar – 2021

October 2021

October 6 - 8:

Public Power Council/PNUCC Meetings

October 2021

For Planning Purposes Only and Subject to Change at any Time

Commissioner Event Calendar – 2021

November 2021

November 3 - 5:

Public Power Council/PNUCC Meetings

November 2021

Commissioner Event Calendar – 2021

December 2021

December 2021

For Planning Purposes Only and Subject to Change at any Time

BUSINESS OF THE COMMISSION

Meeting Date: May 4, 2021 **Agenda Item:** 8A

TITLE

Governance Planning Calendar

SUBMITTED FOR: Governance Planning

Commission	Melissa Collins	8616
Department	*Contact*	*Extension*

Date of Previous Briefing: _____

Estimated Expenditure: _____ Presentation Planned ☐

ACTION REQUIRED:

☒ Decision Preparation
☐ Policy Discussion
☐ Policy Decision
☐ Statutory

☐ Incidental (Information)

☐ Monitoring Report

SUMMARY STATEMENT:

Identify the relevant Board policies and impacts:

Governance Process, Agenda Planning, GP-4: To accomplish its job products with a governance style consistent with Board policies, the Board will follow an annual agenda ….

The Planning Calendar is enclosed for Board review.

List Attachments:
Governance Planning Calendar

Governance Planning Calendar – 2021

To Be Scheduled

- Community Choice Aggregation (CCA)

To Be Scheduled

- Climate/Environmental Policy
- Five Member Board

Governance Planning Calendar – 2021

May 4, 2021

Morning Session:

- Media
- Legislative
- DER Pilot Update
- Connect Up – AMI Contract Presentation
- Connect Up – Meter Data Management System (MDMS) Contract Presentation
- Update on 2021 Bond Placement
- Insurance Renewals

Afternoon Session:

- Monitoring Report:
  → 1st Quarter 2021 Financial Conditions and Activities Monitoring Report
- Governance Planning Calendar

May 18, 2021

Morning Session:

- Legislative
- Community Engagement
- Sustainable Field Maintenance Practices on District Properties
- Operating Reserves Agreement with Seattle City Light
- DC Fast Charger Rate Schedule
- City of Everett Fiber Lease Agreement

Afternoon Session:

- Governance Planning Calendar

For Planning Purposes Only and Subject to Change at any Time

Governance Planning Calendar – 2021

June 1, 2021

Morning Session:

- Media
- Legislative
- Compensation Philosophy Discussion
- Reliability Project Update

Afternoon Session:

- Public Hearing and Action:
  →DC Fast Charger Rate Schedule
- Governance Planning Calendar

June 15, 2021

Morning Session:

- Legislative
- Community Engagement
- Energy Risk Management Report – 2nd Quarter 2021
- Water Supply Update
- Connect Up - System Integrator RFP Presentation

Afternoon Session:

- Public Hearing and Action:
  →Disposal of Surplus Property – 3rd Quarter
- Governance Planning Calendar

For Planning Purposes Only and Subject to Change at any Time

Governance Planning Calendar – 2021

July 6, 2021

Morning Session:

- Media
- Legislative
- Wildfire Risk Mapping Overview
- Board-Owner Linkage Plan

Afternoon Session:

- Monitoring Report:
  →Asset Protection Monitoring Report
- Governance Planning Calendar

July 20, 2021

Morning Session:

- Legislative
- Community Engagement
- Connect Up – Budget and Business Case

Afternoon Session:

- Governance Planning Calendar

Governance Planning Calendar – 2021

August 3, 2021

Morning Session:

- Media
- Legislative
- Connect Up – Implementation Phase Overview

Afternoon Session:

- Monitoring Report:

  →2nd Quarter Financial Conditions and Activities Monitoring Report
- Governance Planning Calendar

August 17, 2021

Morning Session:

- Legislative
- Community Engagement

Afternoon Session:

- 2022 Preliminary Budget – Report of Filing and Notice of Public Hearing
- Governance Planning Calendar

For Planning Purposes Only and Subject to Change at any Time

Governance Planning Calendar – 2021

September 7, 2021

Morning Session:

- Media
- Legislative
- Connect Up - Meter Installation Vendor Contract Presentation

Afternoon Session:

- Governance Planning Calendar

September 21, 2021

Morning Session:

- Legislative
- Community Engagement

Afternoon Session:

- Public Hearing and Action:

  →Disposal of Surplus Property – 4th Quarter
- Governance Planning Calendar

For Planning Purposes Only and Subject to Change at any Time

Governance Planning Calendar – 2021

October 4, 2021

Morning Session:

- Media
- Legislative

Afternoon Session:

- Public Hearing:
  →Open 2022 Proposed Budget Hearing
- Governance Planning Calendar

October 19, 2021

Morning Session:

- Legislative
- Community Engagement
- Energy Risk Management Report – 3rd Quarter
- Water Supply Update

Afternoon Session:

- Governance Planning Calendar

Governance Planning Calendar – 2021

November 2, 2021

Morning Session:

- Media
- Legislative

Afternoon Session:

- Public Hearing:

  →Continue Public Hearing on the 2022 Proposed Budget
- Public Hearing and Action:
- Monitoring Report:

  →3rd Quarter Financial Conditions and Activities Monitoring Report
- Governance Planning Calendar

November 16, 2021

Morning Session:

- Legislative
- Community Engagement

Afternoon Session:

- Public Hearing:

  →Continue Public Hearing on the 2022 Proposed Budget (if needed)
- Adopt Regular Commission Meeting Dates for the Year 2022
- Governance Planning Calendar

For Planning Purposes Only and Subject to Change at any Time

Governance Planning Calendar – 2021

December 7, 2021

Morning Session:

- Media
- Legislative

Afternoon Session:

- Public Hearing:
- Monitoring Report:

  →Financial Planning and Budgeting Monitoring Report
- Public Hearing and Action:

  →Adopt 2022 Budget
- Elect Board Officers for the Year 2022
- Proposed 2022 Governance Planning Calendar

December 21, 2021

Morning Session:

- Legislative
- Community Engagement

Afternoon Session:

- Public Hearing and Action:

  →Disposal of Surplus Property - 1st Quarter
- Adopt 2021 Governance Planning Calendar

For Planning Purposes Only and Subject to Change at any Time

Governance Planning Calendar – 2021

2021 Year-at-a-Glance Calendar

January

S	M	T	W	T	F	S
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31						

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28						

March

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June

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August

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September

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October

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31						

November

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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

December

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

	Holiday	#	Commission Meetings

For Planning Purposes Only and Subject to Change at any Time