SNOHOMISH COUNTY PUBLIC UTILITY DISTRICT
BOARD OF COMMISSIONERS REGULAR MEETING
Everett Headquarters Building, 2320 California Street
Zoom Online Platform Option Available

June 9, 2026

CONVENE REGULAR MEETING – 9:00 a.m. – Commission Meeting Room

Virtual Meeting Participation Information

Join Zoom Meeting:

- Use link https://us06web.zoom.us/j/85045634921?pwd=ATeu1p3gtTjZMxP4OWpgc3Ne6hFyGt.1
- Dial in: (253) 215-8782
- Meeting ID: 850 4563 4921
- Passcode: 341055

1. **COMMENTS FROM THE PUBLIC**
   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."

2. **CONSENT AGENDA**
   A. Approval of Minutes for the Regular Meeting of May 26, 2026
   B. Bid Awards, Professional Services Contracts and Amendments
   C. Consideration of Certification/Ratification and Approval of District Checks and Vouchers

3. **CEO/GENERAL MANAGER BRIEFING AND STUDY SESSION**
   A. Updates
      1. Media & Community Engagement
      2. Other
   B. BNSF Deer Creek Flats Radio Tower Lease Amendment
   C. Upper Sultan River Outstanding Resource Waters
   D. Purchase of Property for Future Cathcart Substation
   E. Burn Road Reservoir PUD Property Future Right-of-Way Reservation
   F. Treasury Report
   G. Decorative Wraps on District Equipment
   H. New Large Load / Data Center Principles
   I. BPA Tier 2 Election Briefing

4. **CEO/GENERAL MANAGER REPORT**

Continued →

5. **ITEMS FOR INDIVIDUAL CONSIDERATON**
   A. Consideration of a Resolution Consideration of a Resolution Authorizing the Senior Manager of Strategic Partnerships and Strategic Accounts, or her Designee, to Execute Electric Pathways Grant Agreements Between Public Utility District No. 1 of Snohomish County and Selected Grantees for Grants Awarded Pursuant to the District's Electric Pathways for Transportation Grant Program
   B. Consideration of a Resolution Declaring Certain Timber Associated With the Jackson Project Surplus Property and Authorizing its Sale
   C. Consideration of a Resolution Authorizing the Chief Operating and Legal Officer, Distribution and Engineering Services, of Public Utility District No. 1 of Snohomish County to Execute Amendment No. 4 to a Lease Agreement With BNSF Railway Company
   D. Consideration of a Motion Accepting the First Quarter 2026 Financial Conditions and Activities Monitoring Report

6. **COMMISSION BUSINESS**
   A. Commission Reports
   B. Commissioner Event Calendar
   C. April 2026 District Performance Dashboard
   D. Strategic Plan Quarterly Update
   E. 2026 Financial Status Report - April

7. **GOVERNANCE PLANNING CALENDAR**
   A. Governance Planning Calendar

EXECUTIVE SESSION – Recess into Executive Session to Discuss Current or Potential Litigation – Training Center Room 1

ADJOURNMENT

The next scheduled regular meeting is June 23, 2026

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

COMMENTS FROM THE PUBLIC

BUSINESS OF THE COMMISSION

Meeting Date: June 9, 2026 **Agenda Item:** 2A

TITLE

Approval of the Minutes for the Regular Meeting of May 26, 2026

SUBMITTED FOR: Consent Agenda

Commission	Allison Morrison	8037
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 **May 26, 2026**

The Regular Meeting was convened by President Sidney Logan at 9:00 a.m. Those attending were Julieta Altamirano-Crosby, Vice-President (virtually); Tanya Olson, Secretary; Chief Information Officer Kristi Sterling; Chief Operating & Legal Officer Colin Willenbrock; other District staff; members of the public; Clerk of the Board Allison Morrison; and Deputy Clerks of the Board Jenny Rich and Morgan Stoltzner.

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

1. COMMENTS FROM THE PUBLIC

There were no comments from the public.

2. CONSENT AGENDA

A. Approval of Minutes for the Regular Meeting of May 5, 2026

B. Bid Awards, Professional Services Contracts and Amendments

Public Works Contract Award Recommendations:
Invitation to Bid No. 26-1665-KS with Sam's Tree Care
Formal Bid Award Recommendations $120,000 and Over:
Purchase Order No. 4500105705 with Wireless Structures Consulting dba Western Utility/Telecom, Inc.
Professional Services Contract Award Recommendations $200,000 and Over:
None
Miscellaneous Contract Award Recommendations $200,000 and Over:
Request for Proposal No. 26-1663-KP with Long's Landscaping LLC
Interlocal Agreements and Cooperative Purchase Recommendations:
Contracts:
Contract No. CW2260703 with TechPower Solutions, Inc.
Purchase Order No. 4500105620 with Ben-Ko-Matic dba Owen Equipment
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:
Public Works Contract No. CW2252667 with Roddan Industrial

Professional Services Contract No. CW2230134 with Nash Consulting Inc.
Miscellaneous No. CW2240858 with Transit Asset Management LLC
Purchase Order No. 4500099591 with S & C Company, Inc.
Contract Acceptance Recommendations:
None

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

A motion unanimously passed approving Agenda Items 2A – Approval of Minutes for the Regular Meeting of May 5, 2026; 2B – Bid Awards, Professional Services Contracts and Amendments; and 2C – Consideration of Certification/Ratification and Approval of District Checks and Vouchers.

3. CEO/GENERAL MANAGER BRIEFING AND STUDY SESSION

A. Updates

1. Other. There were no other updates

B. EIP Communications Camano Site License Agreement Amendment

Manager Telecommunications Nick Johnston provided a presentation on the EIP Communications Camano Site License Agreement amendment.

The next step would be to seek same day consideration of a resolution at the May 26, 2026, Commission meeting.

4. CEO/GENERAL MANAGER REPORT

Chief Information Officer Kristi Sterling reported on District related topics and accomplishments.

5. ITEMS FOR INDIVIDUAL CONSIDERATION

A. Consideration of a Resolution Authorizing the CEO/General Manager and Treasurer of Public Utility District No. 1 of Snohomish County to Purchase Insurance Coverage From Various Insurance Carriers for and on Behalf of the District

A motion unanimously passed approving Resolution No. 6283 authorizing the CEO/General Manager and Treasurer of Public Utility District No. 1 of Snohomish County to purchase insurance coverage from various insurance carriers for and on behalf of the District.

B. Consideration of a Resolution Authorizing the Chief Operating and Legal Officer, Distribution and Engineering Services, of Public Utility District No. 1 of Snohomish County to Execute Amendment No. 3 of a License Agreement With EIP Communications I, LLC

A motion unanimously passed approving Resolution No. 6284 authorizing the Chief Operating and Legal Officer, Distribution and Engineering Services of Public Utility District No. 1 of Snohomish County to execute Amendment No. 3 of a License Agreement with EIP Communications I, LLC.

6. COMMISSION BUSINESS

A. Commission Reports

The Board reported on Commission related topics and Board related events.

B. Commissioner Event Calendar

There were no changes to the Commissioner Event Calendar.

7. GOVERNANCE PLANNING

A. Governance Planning Calendar

Clerk of the Board Allison Morrison mentioned that the Large Load Principles Draft item for the June 23, 2026, Commission meeting will now be moved to the June 9, 2026, Commission meeting.

ADJOURNMENT

There being no further business or discussion to come before the Board, the Regular Meeting of May 26, 2026, adjourned at 9:20 a.m.

Approved this 9th day of June, 2026.

_____
Secretary

_____
President

_____
Vice President

BUSINESS OF THE COMMISSION

Meeting Date: June 9, 2026 **Agenda Item:** 2B

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; 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 (Page 1);
Invitation to Bid No. 26-1670-KP with Accord Contractors, LLC

Formal Bid Award Recommendations $120,000 and Over (Page 2);
Recommend Rejection for Request for Quotation No. 26-1653-CS

Professional Services Contract Award Recommendations $200,000 and Over (Pages 3–5);
Professional Services Contract No. CW2260708 with BHC Consultants LLC
Professional Services Contract No. CW2260728 with HDR Engineering, Inc.

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

Interlocal Agreements and 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 (Pages 6 - 7);
Invitation to Bid No. 25-1591-KP with Accord Contractors, LLC
Miscellaneous No. CW2244721 with AT&T Corporation

Contract Acceptance Recommendations;
None

List Attachments:
June 9, 2026 Report

Public Works Contract Award Recommendation(s)
June 9, 2026

ITB No. 26-1670-KP
VMB Lift Replacement Phase 2

No. of Bids Solicited:	27	
No. of Bids Received:	2	
Project Leader & Phone No.:	Shawn Wiggins	Ext. 1916
Estimate:	$450,000.00	

Description:

Contract work consists of providing all labor, materials and equipment necessary to demolish existing hydraulic lifts and associated pits at the Operations Center and fabricate new pits to accept new vehicle lifts.

	Contractor	Subtotal (tax n/a)
Award To:	**Accord Contractors, LLC**	**$486,568.00**
	Summit Construction Group, Inc.	$524,760.00

Summary Statement: Staff recommend award to Accord Contractors, LLC, the low evaluated bidder, in the amount $486,568.00, plus tax. Bid amounts include one of the two Alternate Bid Items (3.B).

Section 00 21 13 of the Instructions to Bidders allows the District to award a Contract on the Base Bid Price or any combination of Base Bid Price, Optional and/or Alternate Bid Price(s).

Formal Bid Award Recommendation(s) $120,000 And Over
June 9, 2026

RFQ No. 26-1653-CS
115kV 3000A V-Type Manual Operator Switches Getchell Switching Station Non-MID

No. of Bids Solicited:	8	
No. of Bids Received:	3	
Project Leader & Phone No.:	Sanjeev Farwaha	5502
Material Estimate:	$204,000.00	

The purchase of these V-Type switches will support the Getchell Switching Station by providing high-voltage disconnects that safely isolate equipment and create a visible break for maintenance after circuits have been de-energized by a breaker. These manually operated switches are essential for safe system operation and maintenance activities. The Getchell Switching Station is a high-voltage substation that connects and controls transmission lines, improving system reliability and ensuring efficient delivery of power to meet growing demand.

Vendor	Sub-Total w/o Tax
Border States proposing Hubbell/Usco	$379,644.00
Anixter Inc. proposing Hubbell/Usco	$384,438.00
Southern Electrical Equipment Company, Inc.	$580,419.28

Summary Statement:

Because all bids exceed the Material Estimate by more than 15%, staff recommend rejection of all bids in accordance with RCW 54.04.080.

PSC No. CW2260708
Engineering Services for Design, Permitting and Bid Services for Addition at the Lake Stevens Well Treatment Facility

No. of Bids Solicited:	21	
No. of Bids Received:	21	
Project Leader & Phone No.:	Dillon Neie	3069
Contract Term:	NTP – 12/31/2027	

In 2018, the Lake Stevens Water System began serving a population exceeding 50,000, qualifying it as a large system under the Environmental Protection Agency's (EPAs) Lead and Copper Rule (LCR). This designation triggered the EPA requirement to conduct an optimization study to determine the system's optimal corrosion control strategy.

Subsequently, the Water Utility completed an optimization study that resulted in design work for required corrosion control upgrades to the Lake Stevens Water Treatment Plant. A capital improvement project to implement these corrosion control upgrades was publicly bid twice. The first solicitation (ITB 23-1348-KS), opened on July 6, 2023, received no bids. The second solicitation (ITB 23-1406-KS), opened on August 8, 2023, received two bids that exceeded the allowable variance from the design Engineer's project cost estimate and were therefore rejected at the 08/22/2023 Commission meeting. The project was temporarily placed on hold and subsequently re-evaluated by staff to determine the best approach forward considering current and future operational needs, regulatory requirements, and alignment with the District's Strategic Plan.

The re-evaluated project scope includes relocation and reconfiguration of the proposed building addition to the south side of the existing structure, as well as modifications to the existing building roof structure along with plumbing, electrical, control systems, water facility overflow provisions, and corrosion control infrastructure. The updated scope also includes construction of an enclosed storage bay with spill containment on the north side of the existing building to house a generator for the water treatment facility. Additionally, the new project layout provides more opportunity for existing building expansion to the north as treatment requirements and processes may change in the future. As the project scope changed substantially from the prior version, a decision was made—along with funding approval—to proceed with a redesign and initiate the consultant selection process.

The District advertised the biennial SOQs on February 6, 2024, and responses were received from 21 firms. Staff shortlisted three consultants:

- BHC Consultants
- Confluence Engineering Group
- Mesa Associates, Inc.

The evaluation team of three District staff employees used the following criteria for evaluating and selecting the consultant:

- Consultant's experience with District similar water system improvement projects
- Quality of SOQ
- Consultant's knowledge of the project's scope of work

Based on the above criteria, the evaluation team selected BHC Consultants LLC, they have shown through their experience with public water system infrastructure, that they are the most qualified Consultant for this project.

	Consultant	Not-to-Exceed Amount (tax n/a)
Award To	**BHC Consultants LLC**	**$360,676.00**

Summary Statement: Based on the above evaluation, staff is recommending an award to BHC Consultants LLC for the Lake Stevens Treatment Building Addition and Corrosion Control Project. The project is estimated to be completed by December 2027.

PSC No. CW2260728
Real Estate Services for Getchell Switching Station

No. of Bids Solicited:	5	
No. of Bids Received:	3	
Project Leader & Phone No.:	Franklin Bolden	4379
Contract Term:	NTP – 3/31/27	

The Getchell 115kV Switching Station Project was identified in the District 20-year plan to support load growth and transmission reliability in the North County Service Area, which represents approximately one-fourth of the District's total load. An outage at the existing BPA Murray 230/115kV bank and a loss of any one of the three transmission lines at the BPA substation would require significant load reduction to alleviate thermal overload in the North County service area.

To address this problem, the District purchased a site for the Getchell 115kV Switching Station in 2018. To build and energize this switching station, the District must acquire easements over private property for transmission facilities. The District Real Estate Department and Transmission Engineering identified 91 parcels that require easement prior to construction.

After evaluating the scope of the easement acquisition project and timeframe, staff determined that the best course of action would be to engage a professional consultant to assist with the easement acquisition project and initiated the consultant selection process.

The District advertised the RFP on March 12, 2026, and responses were received from three consultant firms:

- HDR Engineering, Inc.
- Commonstreet Consulting, LLC
- Contract Land Staff, LLC

The evaluation team consisted of four employees. The following criteria were used to evaluate and select a consultant:

- Consultant's experience with the District and similar easement acquisition projects
- Quality of RFP
- Consultant's knowledge of the project's scope of work

Based on the above criteria, the evaluation team selected HDR Engineering, Inc. as they have shown through their experience with easement acquisition that they are the most qualified firm for this project.

	Consultant	Not-to-Exceed Amount (tax n/a)
Award To	**HDR Engineering, Inc.**	**$1,100,000.00**

Summary Statement: Based on the above evaluation, staff is recommending an award to HDR Engineering, Inc. for the Getchell Switching Station Transmission Easement Acquisition Project. This phase of the project is estimated to be completed on March 31, 2027.

Formal Bid and Contract Amendment(s)
June 9, 2026

ITB No. 25-1591-KP
VMB Lift Replacement
Phase 1

Contractor/Consultant/Supplier:	Accord Contractors, LLC	
Project Leader & Phone No.:	Shawn Wiggins	Ext. 1916
Amendment No.:	1	
Amendment:	$86,684.28	

Original Contract Amount:	$319,854.00		
Present Contract Amount:	$319,854.00	Original Start/End:	2/2/26-7/2/26
Amendment Amount:	$86,684.28	Present Start/End:	2/2/26-7/2/26
New Contract Amount:	$406,538.28	New End Date:	N/A

Summary Statement: Staff recommends approval of Amendment No. 1 to increase the contract amount by $86,684.28 to cover costs associated with the discovery of contaminated soil by District staff. This unforeseen condition required additional excavation, off-site disposal, and backfill beyond the original scope of work.

MISC No. CW2244721
AT&T WECC / CAISO Circuit

Contractor/Consultant/Supplier:	AT&T Corporation	
Project Leader & Phone No.:	Mridula Sharma	Ext. 8322
Amendment No.:	5	
Amendment:	$185,000.00	

This amendment extends the term of the data circuits that play an essential role in facilitating communication between our ECC and the regulatory organizations Western Electricity Coordinating Council (WECC) and California Independent System Operator (CAISO). These bodies oversee power usage and distribution across the west coast, ensuring compliance and operational integrity.

Specifically, the WECC and CAISO circuits, along with their associated routers, establish an encrypted and secure link between these entities and the District. This secure connection is critical for the Bulk Electric System (BES) within the Western Interconnection in North America, supporting reliable and secure information exchange.

Original Contract Amount:	$ 46,000.00		
Present Contract Amount:	$ 110,000.00	Original Start/End:	7/1/2021 - 6/31/2026
Amendment Amount:	$ 185,000.00	Present Start/End:	7/1/2021 - 6/31/2026
New Contract Amount:	$ 295,000.00	New End Date:	6/31/2031

Summary Statement: Staff recommends approval of Amendment No. 5 to increase the contract by $185,000.00 and extend the contract term for five years to June 31, 2031 for continuing services.

Summary of Amendments:

Amendment No. 1 executed December 20, 2021 added a backup/second WECC circuit

Amendment No. 2 executed June 14, 2022 changed the circuit types from T1 to Ethernet

Amendment No. 3 executed June 15, 2023 added a WECC circuit at Arlington

Amendment No.4 administratively approved March 25, 2024 added $64,000 to the contract value.

BUSINESS OF THE COMMISSION

Meeting Date: June 9, 2026 **Agenda Item:** 2C

TITLE

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

SUBMITTED FOR: Consent Agenda

General Accounting & Financial Systems	Shawn Hunstock	8497
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 9th day of June 2026.

CERTIFICATION:

Certified as correct:

CEO/General Manager

Auditor

Jeff Bishop

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	1139742 - 1139907	$51,568.38	2 - 7
Electronic Customer Refunds		$3,567.29	8
WARRANT SUMMARY			
Warrants	8086610 - 8086759	$3,454,828.43	9 - 13
ACH	6064202 - 6064562	$10,112,237.49	14 - 25
Wires	7003947 - 7003961	$29,802,487.35	26
Payroll - Direct Deposit	5300001552 - 5300001552	$5,534,873.71	27
Payroll - Warrants	845687 - 845698	$33,469.77	27
Automatic Debit Payments	5300001548 - 5300001560	$4,676,280.41	28
	GRAND TOTAL	**$53,669,312.83**	

Revolving Fund - Customer Refunds, Incentives and Other			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/18/26	1139742	YANA SHUSTERMAN	$140.51
5/18/26	1139743	CALIFORNIA & FULTON LLC	$30.38
5/18/26	1139744	BMCH WASHINGTON LLC	$305.74
5/18/26	1139745	KEN HIGBY	$125.49
5/18/26	1139746	HARBOUR HOMES LLC	$19.24
5/18/26	1139747	ELINK REALTY LLC	$11.58
5/18/26	1139748	PATRICIA PEDERSEN	$283.82
5/18/26	1139749	GINNA PATRICIA FUSTAMANTE OLIVERA	$2,200.00
5/19/26	1139750	IAN CHURCHILL	$401.78
5/19/26	1139751	CAOLAN ODOMHNAILL	$7.81
5/19/26	1139752	TERRI EXNER	$23.84
5/19/26	1139753	VICTORIA YOUNG	$103.59
5/19/26	1139754	GOLDSTREAM VENTURE PARTNERS LLC	$44.26
5/19/26	1139755	DJDIDIT LLC	$65.72
5/19/26	1139756	RELIANT - LAKEWOOD LP	$71.20
5/19/26	1139757	WILLIAM MATHENY	$57.30
5/19/26	1139758	ERIK BANSLEBEN	$265.00
5/19/26	1139759	JOSEPH WHITTAKER	$2,300.00
5/19/26	1139760	SR ERIK LAMPHERE	$288.60
5/19/26	1139761	LYNNWOOD 164 APT LLC	$115.48
5/19/26	1139762	TNHC WASHINGTON LLC	$315.33
5/19/26	1139763	DAVID DOW	$168.37
5/19/26	1139764	HUI-CHU CHIU	$148.10
5/19/26	1139765	SVITLANA KOTOK	$678.02
5/20/26	1139766	DONELDA QUEEN	$108.17
5/20/26	1139767	REBECCA POON	$24.11
5/20/26	1139768	ABEL PRECIADO	$842.98
5/20/26	1139769	VINTAGE AT URBAN CENTER LLC	$31.31
5/20/26	1139770	CHRISTINE VANTLEVEN	$50.77
5/20/26	1139771	VEREASE MCNULTY	$2,200.00
5/20/26	1139772	JAMES DARE	$150.00
5/20/26	1139773	FISERV/CHECKFREE CORPORATIOM/BASTONGNE	$1,765.11

Revolving Fund - Customer Refunds, Incentives and Other			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/20/26	1139774	SUPREME SURFACES LLP	$111.84
5/20/26	1139775	SEASONS LYNNWOOD, LLC	$7.51
5/20/26	1139776	WMK ASSET LLC	$644.86
5/20/26	1139777	HUI ZHANG	$866.88
5/20/26	1139778	MARTIN PONNECH	$110.00
5/20/26	1139779	SAIWEI LLC	$274.71
5/20/26	1139780	ROBERT WONG	$2,750.76
5/20/26	1139781	TERRI KNIGHT	$25.00
5/20/26	1139782	PNW INVESTORS II LLC	$26.96
5/20/26	1139783	JOAN WALKLING	$237.22
5/21/26	1139784	WILLIAM SCOTT	$160.48
5/21/26	1139785	REBECCA GARDE	$247.22
5/21/26	1139786	USA HOIST COMPANY INC	$297.44
5/21/26	1139787	CORNERSTONE HOMES NW LLC	$109.68
5/21/26	1139788	KATRINA MARTIN	$43.09
5/21/26	1139789	SITIAN LU	$21.78
5/21/26	1139790	DILIMULATI HAISHAER	$282.08
5/21/26	1139791	16525 ASH WAY LLC	$17,428.88
5/21/26	1139792	RG LLC	$185.03
5/21/26	1139793	RG LLC	$179.82
5/21/26	1139794	ANGELICA RODRIGUEZ	$90.65
5/21/26	1139795	YIXUAN WANG	$82.60
5/21/26	1139796	KEVIN TAPIA	$39.20
5/21/26	1139797	SONG-I YANG	$194.57
5/21/26	1139798	BRADLEY BEST	$446.34
5/21/26	1139799	RUTH NORVA	$281.93
5/22/26	1139800	WENDY BRIGHT	$23.53
5/22/26	1139801	RAZO LLC	$10.59
5/22/26	1139802	KONZO REBECCA LEBA	$78.09
5/22/26	1139803	TARA PEGASUS	$110.06
5/22/26	1139804	GLEIBERMAN PROPERTIES INC	$236.45
5/22/26	1139805	SREIT FULTONS CROSSING LLC	$74.39

Revolving Fund - Customer Refunds, Incentives and Other			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/22/26	1139806	SMOKEY POINT APARTMENTS III LLC	$145.39
5/22/26	1139807	WAKEFIELD ALDERWOOD LLC	$67.60
5/22/26	1139808	FALCON PROTECTION SERVICES PLLC	$42.47
5/22/26	1139809	GAYLYNN GREEN	$71.41
5/22/26	1139810	SHAYNA BLOUNT	$204.19
5/22/26	1139811	MAUREEN SHERMAN LINES	$35.00
5/22/26	1139812	WILLIAM GRUSSENMEYER	$5.00
5/22/26	1139813	DENISE HATFIELD	$240.04
5/22/26	1139814	KAMRAN SHEMSHAKI	$62.07
5/22/26	1139815	ELIZABETH STRANGE	$58.99
5/22/26	1139816	HUYNH NGUYEN	$139.52
5/22/26	1139817	HANNAH CARLSON	$50.54
5/22/26	1139818	SIERRA KEOUGH	$74.30
5/22/26	1139819	PATRIC JAMES	$100.59
5/22/26	1139820	WILLIAMS INVESTMENTS	$100.79
5/22/26	1139821	SHAUN SYLVAS	$48.92
5/22/26	1139822	SEAN WHITAKER	$69.06
5/22/26	1139823	KBHPNW LLC DBA KB HOME	$206.46
5/22/26	1139824	LARCH WAY PROPERTIES LLC	$217.58
5/22/26	1139825	CHAD HARRISON	$123.76
5/26/26	1139826	ASHLEY MELCHOR	$117.67
5/26/26	1139827	GARY GANION	$343.08
5/26/26	1139828	JOHN ORR	$30.54
5/26/26	1139829	ISAAC SHMAYA	$31.91
5/26/26	1139830	JON LOFGREN	$175.86
5/26/26	1139831	LLEANA DAVISON	$29.39
5/26/26	1139832	DUBERNEY CICERY SOTTO	$225.43
5/26/26	1139833	CHERYL BUCK INC	$29.32
5/26/26	1139834	REBECCA SMITH	$482.48
5/26/26	1139835	SUNI CHON	$30.18
5/27/26	1139836	PATRICIA DUDDER	$107.21
5/27/26	1139837	RALPH PEREZ	$37.41

Revolving Fund - Customer Refunds, Incentives and Other			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/27/26	1139838	SCOTT BURDETT	$53.29
5/27/26	1139839	DAN ROTH	$55.35
5/27/26	1139840	MYRON GEMMER	$118.81
5/27/26	1139841	SUXIA ZHENG	$116.91
5/27/26	1139842	PAUL VOLKMANN	$152.98
5/27/26	1139843	STEVEN JIN	$44.85
5/27/26	1139844	ARSEMA WOLDEGIYORGIS	$270.83
5/27/26	1139845	MARIA VIDAL	$99.27
5/27/26	1139846	GABRIELA OLIVAS	$97.51
5/27/26	1139847	JILL SKOLD	$61.89
5/27/26	1139848	CARMEN ABUNDIO	$150.81
5/27/26	1139849	SHAIRI DYANNE	$8.81
5/27/26	1139850	FISERV/CHECKFREE CORPORATIOM/BASTONGNE	$466.33
5/27/26	1139851	VICTORIA GOLVEO	$373.79
5/27/26	1139852	DEBORAH KILGORE	$57.39
5/27/26	1139853	TOBEY KELEKOMA	$40.11
5/27/26	1139854	PULTE GROUP	$59.87
5/27/26	1139855	ED SONGSTAD	$95.70
5/27/26	1139856	WOODLAND GREENS GJJ LLC	$21.09
5/27/26	1139857	DENISE SMITH	$96.15
5/27/26	1139858	KAITLIN KULLER	$126.01
5/27/26	1139859	VOID	$0.00
5/27/26	1139860	ANNETTE FORS	$137.28
5/27/26	1139861	SHARON DEFEVERS	$165.00
5/27/26	1139862	BRIANNA PILARCIK	$316.51
5/27/26	1139863	GREG NYLANDER	$42.78
5/27/26	1139864	MALIN KEISNER	$60.45
5/27/26	1139865	YENI MIRANDA	$57.65
5/27/26	1139866	VOID	$0.00
5/27/26	1139867	EDWIN RAMIREZ ZETINO	$129.59
5/27/26	1139868	CARLY HAMMER	$6.32
5/27/26	1139869	ANNA KRYBOSHEI	$10.31

Revolving Fund - Customer Refunds, Incentives and Other			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/27/26	1139870	SCHADRACK RUYENZI	$102.29
5/27/26	1139871	AIDAN MEADOWS	$102.37
5/27/26	1139872	VOID	$0.00
5/27/26	1139873	VICTORIA GOMEZ FLORES	$136.60
5/27/26	1139874	KEVIN BROWN	$506.53
5/27/26	1139875	KENAI SINAPHET	$54.95
5/27/26	1139876	TABITHA SHUFORD	$321.71
5/27/26	1139877	GONZALO UYARTE MEJIAS	$60.89
5/27/26	1139878	VOID	$0.00
5/27/26	1139879	LUPIO, SUSAN DENISSE	$243.32
5/27/26	1139880	ROBERT CHACON	$90.52
5/27/26	1139881	JESUS OCHOA GARCIA	$178.01
5/27/26	1139882	VOID	$0.00
5/27/26	1139883	DAVID TSUMAN	$277.04
5/27/26	1139884	RODERICK RODOM	$121.86
5/27/26	1139885	WINTERS FAMILY LLC	$89.81
5/27/26	1139886	KAREN FARRELL	$30.88
5/27/26	1139887	HOUSING AUTHORITY OF SNO CO	$102.84
5/27/26	1139888	THEODORE KIM	$621.60
5/27/26	1139889	GLEIBERMAN PROPERTIES INC	$163.14
5/27/26	1139890	WENDY FLORES	$38.74
5/27/26	1139891	CATHERINE HERZER	$105.07
5/27/26	1139892	VOID	$0.00
5/28/26	1139893	DIANE HERNANDEZ	$294.37
5/28/26	1139894	TIFFANI SANDS	$283.75
5/28/26	1139895	16525 ASH WAY LLC	$126.49
5/28/26	1139896	SANDRA LOPEZ	$79.06
5/28/26	1139897	LENNAR NORTHWEST INC	$26.92
5/28/26	1139898	KARISSA MCCAMEY	$70.62
5/28/26	1139899	DUBERNEY CICERY SOTTO	$141.05
5/28/26	1139900	ERP OPERATING LP	$23.61
5/28/26	1139901	DEANNA ANDERSON	$5.39

Revolving Fund - Customer Refunds, Incentives and Other			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/28/26	1139902	COLLEEN ELLIOT	$63.50
5/28/26	1139903	DANILO RIOS	$80.00
5/28/26	1139904	MEAGAN BALKE	$362.82
5/28/26	1139905	CITYCENTER APARTMENTS LYNNWOOD PARTNERS	$22.12
5/28/26	1139906	TIMOTHY WYNN	$104.56
5/28/26	1139907	ALEX FARHENKOPF	$314.90
		Total:	**$51,568.38**

Revolving Fund - Electronic Customer Refunds			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/18/26	000533585125	FRANCOISE SUKARI	$109.34
5/18/26	000533585126	JAYDEN MICHAELS	$135.66
5/18/26	000533585127	ZAKHIYA BOWMAN	$74.15
5/18/26	000533585128	FELIPE DINAMARCA	$47.58
5/18/26	000533585129	SUMAN KARAKHETI	$58.14
5/18/26	000533585130	CHRIS WAUGH	$173.50
5/18/26	000533585131	LINA AL-FAHAM	$29.70
5/18/26	000533585132	MIGUEL BRAVO	$84.89
5/18/26	000533585133	BELKY TATIANA	$21.65
5/18/26	000533585134	MIKAYLA PROFFITT-JONES	$7.35
5/18/26	000533585135	KADEN RODRIGUEZ	$120.25
5/18/26	000533585136	GARRET POWERS	$124.57
5/18/26	000533585137	FITWI WELDEGIORIS	$38.26
5/18/26	000533585138	YANNICK BENAO	$128.76
5/18/26	000533585139	BRIAN HOPE	$240.84
5/18/26	000533585140	BRIAN HOPE	$210.00
5/18/26	000533585141	LAMARQ PATTERSON	$106.99
5/20/26	000533602539	RICHARD PECK	$132.13
5/20/26	000533602540	JESSICA WEBB	$376.19
5/20/26	000533602541	CAMERON SWALE	$100.96
5/20/26	000533602542	KYLE SUMMERS	$495.66
5/27/26	000533661828	ARACELI ARELLANES GARCIA	$112.59
5/27/26	000533661829	WEISU WANG	$29.74
5/27/26	000533661830	KRISTEN FRYKMAN	$77.65
5/27/26	000533661831	SEUNGWON JUNG	$24.61
5/27/26	000533661832	SHELBYRAE MATHIEU	$102.72
5/27/26	000533661833	JENNIFER ROBINSON	$83.04
5/27/26	000533661834	MUNASHE RIMBI	$155.57
5/27/26	000533661835	SEAN SPICER	$43.40
5/27/26	000533661836	XINYI SHEN	$121.40
		Total:	**$3,567.29**

Accounts Payable Warrants			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/19/26	8086610	AIRWARE INC	$1,004.95
5/19/26	8086611	ARBITER SYSTEMS INC	$4,290.74
5/19/26	8086612	CITY OF DARRINGTON	$9,559.72
5/19/26	8086613	EQUIFAX INFORMATION SERVICES LLC	$1,122.64
5/19/26	8086614	EVERETT COMMUNITY COLLEGE	$15,681.12
5/19/26	8086615	CITY OF GOLD BAR	$14,042.14
5/19/26	8086616	CITY OF GOLD BAR	$656.04
5/19/26	8086617	CORE & MAIN LP	$1,360.79
5/19/26	8086618	KENT D BRUCE	$590.16
5/19/26	8086619	CITY OF MARYSVILLE	$231,883.35
5/19/26	8086620	MILL SUPPLY INC	$721.04
5/19/26	8086621	CITY OF MONROE	$1,562.45
5/19/26	8086622	CITY OF MOUNTLAKE TERRACE	$88,240.59
5/19/26	8086623	GENUINE PARTS COMPANY	$582.20
5/19/26	8086624	PACIFIC NW SCALE CO INC	$3,415.63
5/19/26	8086625	CITY OF ARLINGTON	$193.09
5/19/26	8086626	SIX ROBBLEES INC	$86.41
5/19/26	8086627	SNOHOMISH COUNTY	$10.00
5/19/26	8086628	SNOHOMISH COUNTY	$10.00
5/19/26	8086629	SNOHOMISH COUNTY	$4,988.00
5/19/26	8086630	SOUND PUBLISHING INC	$88.20
5/19/26	8086631	STANWOOD CAMANO SCHOOL DIST 401	$500.00
5/19/26	8086632	CITY OF SULTAN	$39,397.81
5/19/26	8086633	WASHINGTON STATE	$6,654.71
5/19/26	8086634	CITY OF ARLINGTON	$142,701.31
5/19/26	8086635	BICKFORD MOTORS INC	$2,798.37
5/19/26	8086636	CITY OF BOTHELL	$132,026.17
5/19/26	8086637	CITY OF BRIER	$21,977.08
5/19/26	8086638	CITY OF EDMONDS	$181,060.21
5/19/26	8086639	EMERALD SERVICES INC	$804.33
5/19/26	8086640	EDS MCDOUGALL LLC	$428.00
5/19/26	8086641	RYAN SCOTT FELTON	$258.26

Accounts Payable Warrants			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/19/26	8086642	HARBOR MARINE MAINTENANCE & SUPPLY	$896.94
5/19/26	8086643	CITY OF INDEX	$983.25
5/19/26	8086644	CITY OF LAKE STEVENS	$144,350.35
5/19/26	8086645	CITY OF LAKE STEVENS	$54,908.70
5/19/26	8086646	LAKE STEVENS SEWER DIST	$360.42
5/19/26	8086647	CITY OF MONROE	$96,232.03
5/19/26	8086648	ROOSEVELT WATER ASSN INC	$150.00
5/19/26	8086649	CITY OF STANWOOD	$716.58
5/19/26	8086650	CITY OF STANWOOD	$40,679.74
5/19/26	8086651	TOWN OF WOODWAY	$6,153.60
5/19/26	8086652	CITY OF GRANITE FALLS	$19,400.06
5/19/26	8086653	CONSOLIDATED ELEC DIST INC	$1,408.03
5/19/26	8086654	LOADMAN NW LLC	$26,002.36
5/19/26	8086655	THE PAPE GROUP INC	$3,333.00
5/19/26	8086656	S-R BROADCASTING INC	$1,000.00
5/19/26	8086657	CITY OF EVERETT	$734,482.23
5/19/26	8086658	THE PAPE GROUP INC	$37,476.90
5/19/26	8086659	ALEXANDRIA REAL ESTATE EQUITIES INC	$6,354.90
5/19/26	8086660	KENDALL DEALERSHIP HOLDINGS LLC	$1,616.78
5/19/26	8086661	BAXTER AUTO PARTS INC	$14,939.89
5/19/26	8086662	SLABJACK NW LLC	$3,055.22
5/19/26	8086663	OBERON WA LLC	$2,991.80
5/19/26	8086664	WILL KOSONEN	$11,243.77
5/19/26	8086665	DOLLAR TREE INC	$2,953.08
5/19/26	8086666	AVI-SPL LLC	$1,193.20
5/19/26	8086667	PAUL E CHRISTIANSON	$30,000.00
5/19/26	8086668	S R SMITH LLC	$10,418.00
5/19/26	8086669	REBECCA SCHMITZ	$7,590.00
5/19/26	8086670	ELE VILLA LLC	$11,750.00
5/19/26	8086671	ARROW INSULATION INC	$3,404.00
5/19/26	8086672	BREEZE FREE INC	$1,650.00
5/19/26	8086673	GLOBAL MACHINE WORKS INC	$25,880.00

Accounts Payable Warrants			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/19/26	8086674	CITY OF LYNNWOOD	$230,532.97
5/19/26	8086675	CITY OF MUKILTEO	$95,223.41
5/19/26	8086676	CITY OF SNOHOMISH	$51,663.14
5/19/26	8086677	PARAGON HEATING AND HOME	$2,675.00
5/19/26	8086678	CHASE HAYES	$2,875.00
5/21/26	8086679	CAMANO WATER ASSN	$100.00
5/21/26	8086680	COMCAST HOLDING CORPORATION	$802.94
5/21/26	8086681	CO-OP SUPPLY INC	$261.82
5/21/26	8086682	ENERSYS DELAWARE INC	$1,773.60
5/21/26	8086683	CORE & MAIN LP	$1,689.66
5/21/26	8086684	ISLAND COUNTY	$306.50
5/21/26	8086685	ISLAND COUNTY	$306.50
5/21/26	8086686	CITY OF LYNNWOOD	$913.49
5/21/26	8086687	CITY OF MARYSVILLE	$177.39
5/21/26	8086688	GENUINE PARTS COMPANY	$266.74
5/21/26	8086689	ROGERS MACHINERY CO INC	$2,796.61
5/21/26	8086690	STANWOOD CAMANO SCHOOL DIST 401	$7,745.15
5/21/26	8086691	WASTE MANAGEMENT OF WASHINGTON INC	$134.54
5/21/26	8086692	ALDERWOOD WATER & WASTEWATER DISTRI	$49.67
5/21/26	8086693	BICKFORD MOTORS INC	$182.62
5/21/26	8086694	DIRECTV ENTERTAINMENT HOLDINGS LLC	$179.99
5/21/26	8086695	PUBLIC UTILITY DIST NO 1 OF	$932.00
5/21/26	8086696	CITY OF EVERETT	$157.78
5/21/26	8086697	ACRO MACHINING INC	$18,368.83
5/21/26	8086698	ALEXANDRIA REAL ESTATE EQUITIES INC	$9,528.49
5/21/26	8086699	BIO CLEAN INC	$15,413.48
5/21/26	8086700	THE PAPE GROUP	$9,376.65
5/21/26	8086701	CONCENTRIC LLC	$356.96
5/21/26	8086702	REECE CONSTRUCTION COMPANY	$526.93
5/21/26	8086703	RADIATE HOLDINGS LP	$3,610.80
5/21/26	8086704	JESSICA V MARQUEZ	$2,324.26
5/21/26	8086705	MUKILTEO SCHOOL DISTRICT NO 6	$29,866.00

Accounts Payable Warrants			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/21/26	8086706	FAST HOME SERVICES LLC	$2,675.00
5/26/26	8086707	ZAYO GROUP LLC	$11,033.71
5/26/26	8086708	IRON MOUNTAIN QUARRY LLC	$768.24
5/26/26	8086709	LANGUAGE LINE SERVICES INC	$4,269.15
5/26/26	8086710	LEXISNEXIS RISK DATA MANAGEMENT INC	$219.80
5/26/26	8086711	CITY OF MOUNTLAKE TERRACE	$410.23
5/26/26	8086712	GENUINE PARTS COMPANY	$1,068.21
5/26/26	8086713	ON HOLD CONCEPTS INC	$255.96
5/26/26	8086714	RIVERSIDE TOPSOIL INC	$680.00
5/26/26	8086715	SOUND PUBLISHING INC	$2,130.38
5/26/26	8086716	BICKFORD MOTORS INC	$721.63
5/26/26	8086717	CINTAS CORPORATION NO 2	$54.40
5/26/26	8086718	PACIFIC PUBLISHING CO INC	$365.40
5/26/26	8086719	JAMES SIDERIUS	$1,300.00
5/26/26	8086720	TWELVE THIRTY ONE INCORPORATED	$301.13
5/26/26	8086721	CITY OF EVERETT	$9,126.39
5/26/26	8086722	ACCORD CONTRACTORS LLC	$192,431.95
5/26/26	8086723	PNG MEDIA LLC	$354.32
5/26/26	8086724	SNOHOMISH COUNTY 911	$1,336.89
5/26/26	8086725	JR MERIT INC	$197,159.65
5/26/26	8086726	DC GROUP INC	$3,703.32
5/26/26	8086727	ACCESS INFO INTERMEDIATE HLDNG I LL	$4,408.59
5/26/26	8086728	REECE CONSTRUCTION COMPANY	$576.91
5/26/26	8086729	SIERRA ROZARIO	$804.00
5/26/26	8086730	KIMLEY-HORN AND ASSOCIATES INC	$9,640.00
5/26/26	8086731	NORTHWEST FIBER LLC	$2,606.02
5/26/26	8086732	OBERON WA LLC	$12,182.46
5/26/26	8086733	CARDIO PARTNERS INC	$3,610.44
5/26/26	8086734	ATEC WATER SYSTEMS LLC	$1,068.41
5/26/26	8086735	ARROW INSULATION INC	$1,319.00
5/26/26	8086736	MARYSVILLE UNITED METHODIST CHURCH	$30,744.00
5/28/26	8086737	LANDSVERK QUALITY HOMES, INC	$15,616.69

Accounts Payable Warrants			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/28/26	8086738	NORTHPOINT DEVELOPMENT LLC	$746.94
5/28/26	8086739	DISH NETWORK	$104.82
5/28/26	8086740	GENUINE PARTS COMPANY	$579.72
5/28/26	8086741	SIX ROBBLEES INC	$2,104.23
5/28/26	8086742	THE BOEING COMPANY	$4,317.01
5/28/26	8086743	TROY GROUP INC	$3,196.82
5/28/26	8086744	WESCO GROUP INC	$733.54
5/28/26	8086745	BICKFORD MOTORS INC	$690.47
5/28/26	8086746	EDS MCDOUGALL LLC	$408.00
5/28/26	8086747	CITY OF EVERETT	$426.79
5/28/26	8086748	CITY OF EVERETT	$1,482.30
5/28/26	8086749	KENDALL DEALERSHIP HOLDINGS LLC	$614.10
5/28/26	8086750	REECE CONSTRUCTION COMPANY	$27.00
5/28/26	8086751	KIMLEY-HORN AND ASSOCIATES INC	$38,817.50
5/28/26	8086752	NORTHWEST FIBER LLC	$2,440.00
5/28/26	8086753	ROYAL HOLDCO CORP	$3,232.65
5/28/26	8086754	NORTHWEST PUBLISHING INC	$330.00
5/28/26	8086755	BARRON HEATING & AIR CONDITIONING	$2,875.00
5/28/26	8086756	KINGS HEATING INC	$2,675.00
5/28/26	8086757	INSULATION CO LLC	$2,482.00
5/28/26	8086758	THE FOUNDRY APARTMENTS JV LLC	$166,968.00
5/28/26	8086759	NEAR ME INSULATION LLC	$3,245.00
		Total:	**$3,454,828.43**

Accounts Payable ACH			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/18/26	6064202	CENTRAL WELDING SUPPLY CO INC	$87.72
5/18/26	6064203	MILES SAND & GRAVEL COMPANY	$981.92
5/18/26	6064204	DAVID EVANS & ASSOCIATES INC	$15,008.00
5/18/26	6064205	FASTENAL COMPANY	$12.23
5/18/26	6064206	NELSON DISTRIBUTING INC	$841.05
5/18/26	6064207	RWC INTERNATIONAL LTD	$3,552.21
5/18/26	6064208	STELLAR INDUSTRIAL SUPPLY INC	$1,741.45
5/18/26	6064209	STELLA-JONES CORPORATION	$42,139.41
5/18/26	6064210	TOPSOILS NORTHWEST INC	$5,193.55
5/18/26	6064211	TFS ENERGY LLC	$951.83
5/18/26	6064212	TULLETT PREBON AMERICAS CORP	$1,000.00
5/18/26	6064213	GORDON TRUCK CENTERS INC	$2,645.93
5/18/26	6064214	WEST PUBLISHING CORPORATION	$6,340.88
5/18/26	6064215	WW GRAINGER INC	$1,006.08
5/18/26	6064216	CELLCO PARTNERSHIP	$1,757.72
5/18/26	6064217	DESIGNER DECAL INC	$931.40
5/18/26	6064218	DICKS TOWING INC	$540.59
5/18/26	6064219	MILLIMAN INC	$2,187.02
5/18/26	6064220	RMG FINANCIAL CONSULTING INC	$375.00
5/18/26	6064221	SWC ENTERPRISES LLC	$855.02
5/18/26	6064222	SENSUS USA INC	$57,741.46
5/18/26	6064223	TACOMA HYDRAULICS INC	$6,552.60
5/18/26	6064224	UNITED REFRIGERATION INC	$145.99
5/18/26	6064225	WALTER E NELSON CO OF WESTERN WA	$298.52
5/18/26	6064226	GRAYBAR ELECTRIC CO INC	$5,491.11
5/18/26	6064227	ALTEC INDUSTRIES INC	$1,173.08
5/18/26	6064228	ANIXTER INC	$47,421.28
5/18/26	6064229	ROADPOST USA INC	$1,317.37
5/18/26	6064230	SEATTLE NUT & BOLT LLC	$1,938.64
5/18/26	6064231	SOVOS COMPLIANCE LLC	$1,507.64
5/18/26	6064232	MOTION & FLOW CONTROL PRODUCTS INC	$570.43
5/18/26	6064233	MCWANE INC	$64,537.56

Accounts Payable ACH			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/18/26	6064234	3DEGREES GROUP INC	$1,397,000.00
5/18/26	6064235	PUGET SOUND HARDWARE INC	$871.46
5/18/26	6064236	BORDER STATES INDUSTRIES INC	$127,737.84
5/18/26	6064237	PURCELL TIRE & RUBBER COMPANY	$2,348.72
5/18/26	6064238	DRY BOX INC	$148.37
5/18/26	6064239	TESSCO TECHNOLOGIES INC	$250.87
5/18/26	6064240	LEVATA US LLC	$355.17
5/18/26	6064241	KEITHLY BARBER ASSOCIATES INC	$370.80
5/18/26	6064242	SEATTLE PRINTWORKS LLC	$527.47
5/18/26	6064243	VIBRANT PLANET PBC	$11,000.00
5/18/26	6064244	COZY HEATING INC	$2,875.00
5/18/26	6064245	ENERGY WORKS LLC	$2,875.00
5/18/26	6064246	R&L GLASS INSTALLATION	$725.00
5/18/26	6064247	EMERALD CITY ENERGY INC	$1,825.00
5/18/26	6064248	AA REMODELING LLC	$1,483.00
5/18/26	6064249	WASHINGTON ENERGY SERVICES COMPANY	$800.00
5/18/26	6064250	HOME COMFORT ALLIANCE LLC	$5,750.00
5/18/26	6064251	WASHINGTON WATER HEATERS	$2,625.00
5/18/26	6064252	RELIANCE US HOLDINGS II LLC	$7,225.00
5/18/26	6064253	MELISSA WILCH	$262.50
5/18/26	6064254	SIDNEY LOGAN	$223.30
5/18/26	6064255	CLARK LANGSTRAAT	$182.12
5/18/26	6064256	DEEPA SHIVNANI	$997.89
5/18/26	6064257	GARY STUTHEIT	$639.86
5/18/26	6064258	DILLEN ROQUE	$394.50
5/19/26	6064259	DAVID EVANS & ASSOCIATES INC	$1,575.00
5/19/26	6064260	HOWARD INDUSTRIES INC	$144,810.83
5/19/26	6064261	ORRICK HERRINGTON & SUTCLIFFE LLP	$2,813.00
5/19/26	6064262	RWC INTERNATIONAL LTD	$415.60
5/19/26	6064263	SHI INTERNATIONAL CORP	$218.70
5/19/26	6064264	STELLAR INDUSTRIAL SUPPLY INC	$7,614.75
5/19/26	6064265	TOPSOILS NORTHWEST INC	$1,469.88

Accounts Payable ACH			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/19/26	6064266	GORDON TRUCK CENTERS INC	$649.77
5/19/26	6064267	DUNLAP INDUSTRIAL HARDWARE INC	$326.93
5/19/26	6064268	GENERAL PACIFIC INC	$161,744.22
5/19/26	6064269	HOGLUNDS TOP SHOP INC	$87.92
5/19/26	6064270	LONGS LANDSCAPE LLC	$10,161.66
5/19/26	6064271	LOUIS F MATHESON CONSTRUCTION INC	$1.88
5/19/26	6064272	ROHLINGER ENTERPRISES INC	$58,112.35
5/19/26	6064273	SEATTLE AUTOMOTIVE DISTRIBUTING INC	$285.19
5/19/26	6064274	SOUND SAFETY PRODUCTS CO INC	$554.78
5/19/26	6064275	ALTEC INDUSTRIES INC	$558,075.27
5/19/26	6064276	ANIXTER INC	$19,232.39
5/19/26	6064277	SEATTLE NUT & BOLT LLC	$281.51
5/19/26	6064278	MCWANE INC	$30,571.08
5/19/26	6064279	REXEL USA INC	$172.48
5/19/26	6064280	EQUINOX RESEARCH & CONSULTING	$16,441.82
5/19/26	6064281	WILLDAN ENERGY SOLUTIONS INC	$1,880.00
5/19/26	6064282	DNV USA INC	$1,721.50
5/19/26	6064283	PERFORMANCE SYSTEMS	$450,000.00
5/19/26	6064284	LEVATA US LLC	$1,196.82
5/19/26	6064285	RESOUND ENERGY LLC	$4,311.92
5/20/26	6064286	CERIUM NETWORKS INC	$1,153.95
5/20/26	6064287	HOWARD INDUSTRIES INC	$111,763.91
5/20/26	6064288	PTC INC	$619.69
5/20/26	6064289	ROMAINE ELECTRIC CORP	$2,317.03
5/20/26	6064290	RWC INTERNATIONAL LTD	$954.38
5/20/26	6064291	SCHNEIDER ELECTRIC USA INC	$6,704.50
5/20/26	6064292	SCHWEITZER ENGINEERING LAB INC	$782.36
5/20/26	6064293	SISKUN INC	$1,206.61
5/20/26	6064294	UNITED PARCEL SERVICE	$154.33
5/20/26	6064295	GORDON TRUCK CENTERS INC	$34.18
5/20/26	6064296	WW GRAINGER INC	$413.52
5/20/26	6064297	BENEFITFOCUS COM INC	$6,816.33

Accounts Payable ACH			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/20/26	6064298	CELLCO PARTNERSHIP	$60,957.16
5/20/26	6064299	DUNLAP INDUSTRIAL HARDWARE INC	$74.45
5/20/26	6064300	GENERAL PACIFIC INC	$32,435.66
5/20/26	6064301	HOGLUNDS TOP SHOP INC	$2,143.03
5/20/26	6064302	LENZ ENTERPRISES INC	$176.68
5/20/26	6064303	SOUND SAFETY PRODUCTS CO INC	$5,817.14
5/20/26	6064304	ALTEC INDUSTRIES INC	$1,230.15
5/20/26	6064305	SEATTLE NUT & BOLT LLC	$5,944.49
5/20/26	6064306	BAKER HUGHES HOLDINGS LLC	$33,750.00
5/20/26	6064307	K&D SERVICES INC	$527.52
5/20/26	6064308	REACH SPORTS MARKETING GROUP INC	$4,985.12
5/20/26	6064309	DDMK INC	$741.83
5/20/26	6064310	KPOCH INTERMEDIATE INC	$354.11
5/20/26	6064311	MOBILIZZ USA INC	$265.68
5/20/26	6064312	ON-SITE ENVIRONMENTAL INC	$78.00
5/20/26	6064313	WSP USA INC	$20,678.49
5/20/26	6064314	BONNEVILLE INTERNATIONAL CORP	$5,000.00
5/20/26	6064315	GAS GENERATION SOLUTIONS INC	$13,730.00
5/20/26	6064316	COZY HEATING INC	$2,875.00
5/20/26	6064317	JULIE MAINSTONE	$41.72
5/20/26	6064318	ERIC SCHELLBERG	$3,798.98
5/20/26	6064319	SUMARANI SUKUMARA PANICKER	$2,311.40
5/20/26	6064320	NICHELLE HALL	$1,270.86
5/20/26	6064321	KELSEY LEWIS	$1,345.00
5/20/26	6064322	JOSE PEREZ-RIVERA	$464.40
5/20/26	6064323	TREVOR ESTRADA	$185.00
5/20/26	6064324	AUSTIN JOHNSON	$86.87
5/20/26	6064325	CLAUDIU LAZAR	$1,380.12
5/20/26	6064326	FATEMEH TOORYAN	$453.00
5/21/26	6064327	CDW LLC	$460.35
5/21/26	6064328	COMMERCIAL FILTER SALES & SERVICE	$164.35
5/21/26	6064329	DAVID EVANS & ASSOCIATES INC	$49,527.95

Accounts Payable ACH			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/21/26	6064330	GLOBAL RENTAL COMPANY INC	$4,968.00
5/21/26	6064331	IBEW LOCAL 77	$105,307.97
5/21/26	6064332	NORTHSTAR CHEMICAL INC	$2,109.00
5/21/26	6064333	NORTHWEST POWER POOL CORP	$3,326.30
5/21/26	6064334	SCHWEITZER ENGINEERING LAB INC	$13,297.27
5/21/26	6064335	SUBURBAN PROPANE LP	$98.91
5/21/26	6064336	TACOMA SCREW PRODUCTS INC	$25.00
5/21/26	6064337	WW GRAINGER INC	$620.27
5/21/26	6064338	LONGS LANDSCAPE LLC	$13,623.36
5/21/26	6064339	POLY BAG LLC	$133.72
5/21/26	6064340	STRUCTURED COMMUNICATION SYSTEMS IN	$317,196.25
5/21/26	6064341	STATE OF WASHINGTON	$130,084.43
5/21/26	6064342	WALTER E NELSON CO OF WESTERN WA	$1,737.45
5/21/26	6064343	ALTEC INDUSTRIES INC	$2,117.99
5/21/26	6064344	ANIXTER INC	$10,270.16
5/21/26	6064345	TRAFFIC CONTROL PLAN CO OF WA LLC	$700.00
5/21/26	6064346	MCWANE INC	$19,873.16
5/21/26	6064347	BALLARD INDUSTRIAL INC	$2,152.36
5/21/26	6064348	BORDER STATES INDUSTRIES INC	$96,088.22
5/21/26	6064349	PACHECOS LANDSCAPING LLC	$8,733.00
5/21/26	6064350	GLASS FIX LLC	$1,417.72
5/21/26	6064351	TRUVIEW BSI LLC	$1,681.40
5/21/26	6064352	XYLEM I LLC	$663,221.12
5/21/26	6064353	WSP USA INC	$22,360.45
5/21/26	6064354	ZACHARY SCOTT	$4,215.02
5/21/26	6064355	SUE FRESE	$18.13
5/21/26	6064356	MICHAEL ST. CLAIR	$110.00
5/21/26	6064357	ANGELA JOHNSTON	$830.18
5/21/26	6064358	SUMIT SINGH	$4,075.00
5/21/26	6064359	LULU ZHAO	$128.00
5/21/26	6064360	KIRK LIEN	$1,204.44
5/21/26	6064361	JULIETA ALTAMIRANO-CROSBY	$624.26

Accounts Payable ACH			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/22/26	6064362	HOWARD INDUSTRIES INC	$128,796.20
5/22/26	6064363	LAKESIDE INDUSTRIES INC	$396.07
5/22/26	6064364	TRENCHLESS CONSTR SVCS LLC	$171,155.99
5/22/26	6064365	LONGS LANDSCAPE LLC	$3,422.15
5/22/26	6064366	RUBATINO REFUSE REMOVAL LLC	$7,204.98
5/22/26	6064367	TOTAL LANDSCAPE CORP	$10,634.82
5/22/26	6064368	XYLEM I LLC	$226,119.00
5/22/26	6064369	ON-SITE ENVIRONMENTAL INC	$953.00
5/22/26	6064370	HOME COMFORT ALLIANCE LLC	$2,875.00
5/22/26	6064371	RELIANCE US HOLDINGS II LLC	$2,875.00
5/22/26	6064372	SUSAN MARTIN	$31.90
5/22/26	6064373	ALLAN KOSKI	$470.90
5/26/26	6064374	CENTRAL WELDING SUPPLY CO INC	$687.53
5/26/26	6064375	DAVID EVANS & ASSOCIATES INC	$911.40
5/26/26	6064376	IIA LIFTING SERVICES INC	$1,775.00
5/26/26	6064377	DOBLE ENGINEERING CO	$704.00
5/26/26	6064378	FASTENAL COMPANY	$158.67
5/26/26	6064379	GLOBAL RENTAL COMPANY INC	$15,431.00
5/26/26	6064380	HARGIS ENGINEERS INC	$20,647.00
5/26/26	6064381	HOWARD INDUSTRIES INC	$151,951.04
5/26/26	6064382	NELSON DISTRIBUTING INC	$3,410.85
5/26/26	6064383	NORTH COAST ELECTRIC COMPANY	$4,922.03
5/26/26	6064384	NORTHWEST LOGO PRODUCTS LLC	$867.69
5/26/26	6064385	PETROCARD INC	$19,878.10
5/26/26	6064386	PUGET SOUND ENERGY INC	$1,290.15
5/26/26	6064387	RWC INTERNATIONAL LTD	$5,424.07
5/26/26	6064388	S&C ELECTRIC COMPANY	$7,061.95
5/26/26	6064389	SCHWEITZER ENGINEERING LAB INC	$93,234.31
5/26/26	6064390	STELLAR INDUSTRIAL SUPPLY INC	$3,710.82
5/26/26	6064391	STELLA-JONES CORPORATION	$42,139.41
5/26/26	6064392	TRENCHLESS CONSTR SVCS LLC	$62,185.24
5/26/26	6064393	GORDON TRUCK CENTERS INC	$642.99

Accounts Payable ACH			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/26/26	6064394	WEST COAST PAPER CO	$3,156.33
5/26/26	6064395	WW GRAINGER INC	$99.82
5/26/26	6064396	DOBBS HEAVY DUTY HOLDINGS LLC	$13.42
5/26/26	6064397	BRAKE & CLUTCH SUPPLY INC	$274.73
5/26/26	6064398	CELLCO PARTNERSHIP	$61.88
5/26/26	6064399	DESIGNER DECAL INC	$2,191.68
5/26/26	6064400	DICKS TOWING INC	$1,472.85
5/26/26	6064401	DUNLAP INDUSTRIAL HARDWARE INC	$6,912.14
5/26/26	6064402	GENERAL PACIFIC INC	$359,185.55
5/26/26	6064403	NORTHWEST CASCADE INC	$916.13
5/26/26	6064404	ROHLINGER ENTERPRISES INC	$5,079.99
5/26/26	6064405	SENSUS USA INC	$60,770.30
5/26/26	6064406	SOUND SAFETY PRODUCTS CO INC	$621.48
5/26/26	6064407	TECHPOWER SOLUTIONS INC	$7,055.58
5/26/26	6064408	TRAVIS PATTERN & FOUNDRY INC	$1,291.98
5/26/26	6064409	ULINE INC	$107.98
5/26/26	6064410	VALMONT TELECOMMUNICATIONS INC	$807.77
5/26/26	6064411	WALTER E NELSON CO OF WESTERN WA	$4,359.93
5/26/26	6064412	ALTEC INDUSTRIES INC	$190.18
5/26/26	6064413	ANIXTER INC	$204,395.59
5/26/26	6064414	T BAILEY INC	$136,277.70
5/26/26	6064415	BORDER STATES INDUSTRIES INC	$54,311.49
5/26/26	6064416	PURCELL TIRE & RUBBER COMPANY	$3,306.67
5/26/26	6064417	ALAN L MONSON	$362.67
5/26/26	6064418	MARIAN DACCA PUBLIC AFFAIRS LLC	$9,683.00
5/26/26	6064419	HARNISH GROUP INC	$1,094.00
5/26/26	6064420	RODDAN INDUSTRIAL LLC	$46,706.15
5/26/26	6064421	EUROFINS ENVR TESTING AMERICA HOLDI	$252.00
5/26/26	6064422	SECURIAN LIFE INSURANCE CO	$17,763.40
5/26/26	6064423	ON-SITE ENVIRONMENTAL INC	$363.00
5/26/26	6064424	ARETE LAW GROUP PLLC	$1,500.00
5/26/26	6064425	BONNEVILLE INTERNATIONAL CORP	$5,000.00

Accounts Payable ACH			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/26/26	6064426	OTC FLOW US INC	$56,500.00
5/26/26	6064427	SUPER ATTIC SOLUTIONS INC	$1,037.00
5/26/26	6064428	RAMONA MARINO	$356.90
5/26/26	6064429	KIM SMITH	$28.00
5/26/26	6064430	THOMAS HEAPHY	$110.00
5/26/26	6064431	BRIAN VANHULLE	$175.00
5/26/26	6064432	LUIS ALVARADO CABALLERO	$548.45
5/26/26	6064433	CASEY LONG	$203.02
5/26/26	6064434	SAMUEL WHISLER	$795.90
5/27/26	6064435	BENTLEY SYSTEMS INC	$90,360.35
5/27/26	6064436	CENTRAL WELDING SUPPLY CO INC	$274.09
5/27/26	6064437	CERIUM NETWORKS INC	$824.25
5/27/26	6064438	COMMERCIAL FILTER SALES & SERVICE	$336.11
5/27/26	6064439	HOWARD INDUSTRIES INC	$4,813.62
5/27/26	6064440	JACO ANALYTICAL LAB INC	$1,080.00
5/27/26	6064441	KUBRA DATA TRANSFER LTD	$43,704.42
5/27/26	6064442	NORTHSTAR CHEMICAL INC	$4,969.80
5/27/26	6064443	NW SUBSURFACE WARNING SYSTEM	$9,188.04
5/27/26	6064444	ROMAINE ELECTRIC CORP	$163.59
5/27/26	6064445	SISKUN INC	$1,034.99
5/27/26	6064446	HORSTMAN WHITFORD & STRATTON PLLC	$82.50
5/27/26	6064447	GORDON TRUCK CENTERS INC	$89.50
5/27/26	6064448	WASHINGTON ST NURSERY & LANDSCAPE A	$1,540.00
5/27/26	6064449	WW GRAINGER INC	$237.78
5/27/26	6064450	THE COMPLETE LINE LLC	$1,910.06
5/27/26	6064451	CONFLUENCE ENGINEERING GROUP LLC	$3,371.00
5/27/26	6064452	GENERAL PACIFIC INC	$536,262.55
5/27/26	6064453	GREAT WESTERN INK INC	$370.63
5/27/26	6064454	MULTIFORCE SYSTEMS CORP	$4,800.37
5/27/26	6064455	NORTHWEST CASCADE INC	$5,825.02
5/27/26	6064456	OPEN ACCESS TECHNOLOGY INTL INC	$1,047.27
5/27/26	6064457	RICOH USA INC	$17.91

Accounts Payable ACH			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/27/26	6064458	SOUND SAFETY PRODUCTS CO INC	$821.75
5/27/26	6064459	SAMPSA M WRIGHT	$3,398.34
5/27/26	6064460	ALTEC INDUSTRIES INC	$7,028.54
5/27/26	6064461	ANIXTER INC	$42,358.79
5/27/26	6064462	TRAFFIC CONTROL PLAN CO OF WA LLC	$5,600.00
5/27/26	6064463	HARMSEN LLC	$18,211.25
5/27/26	6064464	TWILIO INC	$9,044.77
5/27/26	6064465	SHERELLE GORDON	$32,000.00
5/27/26	6064466	BORDER STATES INDUSTRIES INC	$591,915.50
5/27/26	6064467	CHANDLER ASSET MANAGEMENT INC	$3,500.00
5/27/26	6064468	TERNIO II INC	$300.00
5/27/26	6064469	SCI NETWORKS USA	$14,435.00
5/27/26	6064470	PERFORMANCE SYSTEMS	$166,283.78
5/27/26	6064471	LUISANA HERNANDEZ	$663.59
5/27/26	6064472	STUART C IRBY COMPANY	$68.69
5/27/26	6064473	ONEPLAN PORTFOLIO SOLUTIONS LLC	$10,073.53
5/27/26	6064474	IHEARTMEDIA ENTERTAINMENT INC	$11,674.37
5/27/26	6064475	EXCHANGEIT GROUP LLC	$515.16
5/27/26	6064476	WALTER E NELSON OF N WASHINGTON	$437.70
5/27/26	6064477	KPOCH INTERMEDIATE INC	$147,976.56
5/27/26	6064478	EUROFINS ENVR TESTING AMERICA HOLDI	$1,344.00
5/27/26	6064479	WSP USA INC	$6,269.58
5/27/26	6064480	GRANITE CONSTRUCTION COMPANY	$1,028.80
5/27/26	6064481	GREEN BUILT NORTHWEST LLC	$325.00
5/27/26	6064482	STILLWATER ENERGY LLC	$39,231.72
5/27/26	6064483	MARIE MORRISON	$252.18
5/27/26	6064484	PAUL SIMPSON	$316.90
5/27/26	6064485	CRESSA JOHNSON	$1,320.05
5/27/26	6064486	PAUL KISS	$1,046.00
5/27/26	6064487	LILLIAN MANLEY	$1,026.00
5/27/26	6064488	ROBERT BEIDLER	$981.11
5/27/26	6064489	KEVIN DAVIS	$875.17

Accounts Payable ACH			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/27/26	6064490	ROBERT CROUCH	$127.82
5/27/26	6064491	TRI BUI	$595.81
5/27/26	6064492	SOPHIA HITSKY	$1,360.16
5/27/26	6064493	JOSHUA MUTHUMANI	$205.25
5/28/26	6064494	ASPLUNDH TREE EXPERT LLC	$72,798.91
5/28/26	6064495	CENTRAL WELDING SUPPLY CO INC	$188.95
5/28/26	6064496	DAVID EVANS & ASSOCIATES INC	$2,575.83
5/28/26	6064497	EJ BROOKS COMPANY	$26,785.53
5/28/26	6064498	NORTH COAST ELECTRIC COMPANY	$4,804.53
5/28/26	6064499	PARAMETRIX INC	$3,696.25
5/28/26	6064500	PITNEY BOWES PRESORT SERVICES LLC	$250.39
5/28/26	6064501	RWC INTERNATIONAL LTD	$1,431.69
5/28/26	6064502	S&C ELECTRIC COMPANY	$3,466.43
5/28/26	6064503	SCHWEITZER ENGINEERING LAB INC	$159,474.06
5/28/26	6064504	STELLAR INDUSTRIAL SUPPLY INC	$1,090.95
5/28/26	6064505	TOPSOILS NORTHWEST INC	$155.00
5/28/26	6064506	UNITED PARCEL SERVICE	$113.82
5/28/26	6064507	WEST PUBLISHING CORPORATION	$8,301.48
5/28/26	6064508	WETLAND RESOURCES INC	$9,897.50
5/28/26	6064509	AABCO BARRICADE CO INC	$5,370.89
5/28/26	6064510	BRAKE & CLUTCH SUPPLY INC	$2,935.78
5/28/26	6064511	DUNLAP INDUSTRIAL HARDWARE INC	$381.42
5/28/26	6064512	GREAT WESTERN INK INC	$1,311.96
5/28/26	6064513	LONGS LANDSCAPE LLC	$15,545.60
5/28/26	6064514	NORTHWEST CASCADE INC	$2,903.79
5/28/26	6064515	PACIFIC MOBILE STRUCTURES INC	$1,348.76
5/28/26	6064516	PAGERDUTY INC	$60,533.00
5/28/26	6064517	RICOH USA INC	$5,091.96
5/28/26	6064518	LOUIS F MATHESON CONSTRUCTION INC	$443.19
5/28/26	6064519	TYNDALE ENTERPRISES INC	$21,463.27
5/28/26	6064520	ANIXTER INC	$42,773.08
5/28/26	6064521	ROADPOST USA INC	$1,314.00

Accounts Payable ACH			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/28/26	6064522	Z2SOLUTIONS LLC	$1,740.00
5/28/26	6064523	TRAFFIC CONTROL PLAN CO OF WA LLC	$175.00
5/28/26	6064524	REXEL USA INC	$271.55
5/28/26	6064525	DS SERVICES OF AMERICA INC	$11,897.91
5/28/26	6064526	CURTIS A SMITH	$9,451.97
5/28/26	6064527	BANK OF AMERICA NA	$448,963.28
5/28/26	6064528	EIP COMMUNICATIONS I LLC	$6,624.22
5/28/26	6064529	GLASS FIX LLC	$708.86
5/28/26	6064530	ELEVATOR SUPPORT COMPANY LLC	$2,154.04
5/28/26	6064531	SYNOPTIC DATA PBC	$1,900.00
5/28/26	6064532	CLOUD CREEK SYSTEMS INC	$8,792.00
5/28/26	6064533	MOBILIZZ USA INC	$1,578.06
5/28/26	6064534	AA REMODELING LLC	$200.00
5/28/26	6064535	HUGH GIBSON	$543.70
5/28/26	6064536	SLADE WILLS	$512.46
5/28/26	6064537	DAWN PRESLER	$232.00
5/28/26	6064538	JENIFER JAGNOW	$617.02
5/28/26	6064539	JESSICA SPAHR	$1,460.08
5/28/26	6064540	ALEXANDER CHOREY	$129.00
5/28/26	6064541	JOSHUA ROBERTS	$31.16
5/28/26	6064542	ADAM PERETTI	$129.00
5/28/26	6064543	KRISTOPHER SCUDDER	$340.12
5/28/26	6064544	KRYSTA RASMUSSEN	$473.16
5/28/26	6064545	ANDRA FLAHERTY	$635.99
5/28/26	6064546	COLT SANSAVER	$654.29
5/28/26	6064547	JAYME CORNELL	$15.96
5/28/26	6064548	LOGAN FORBIS	$266.26
5/28/26	6064549	EMILY PARRY	$129.00
5/28/26	6064550	OZDEN BRUCE	$1,074.22
5/29/26	6064551	HOWARD INDUSTRIES INC	$123,211.09
5/29/26	6064552	ROBERT HALF INC	$4,913.92
5/29/26	6064553	GORDON TRUCK CENTERS INC	$54.95

Accounts Payable ACH			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/29/26	6064554	LONGS LANDSCAPE LLC	$1,133.70
5/29/26	6064555	LOUIS F MATHESON CONSTRUCTION INC	$199.62
5/29/26	6064556	CASCADE COLLISION CENTER INC	$14,232.23
5/29/26	6064557	CUSTOM TRUCK ONE SOURCE INC	$7,653.44
5/29/26	6064558	LINEROOTS SUPPLY LLC	$36,032.20
5/29/26	6064559	CHAD WOLFORD	$276.00
5/29/26	6064560	TYLER REINITZ	$2,828.96
5/29/26	6064561	WYATT HAWTHORNE	$639.70
5/29/26	6064562	ORION EATON	$1,099.06
		Total:	**$10,112,237.49**

Accounts Payable Wires			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/18/26	7003947	ALUMICHEM USA INC	$1,460.57
5/20/26	7003948	CITY OF SEATTLE	$316,346.58
5/20/26	7003949	HAMPTON LUMBER MILLS-WA INC	$73,334.39
5/20/26	7003950	AVANGRID POWER HOLDINGS INC	$917,520.00
5/21/26	7003951	US DEPARTMENT OF ENERGY	$3,331,173.00
5/21/26	7003952	ICMA-RC	$334,008.00
5/21/26	7003953	PUBLIC UTILITY DIST NO 1 OF SNOHOMI	$19,693.16
5/21/26	7003954	ICMA-RC	$891,708.38
5/22/26	7003955	US POSTAL SVC	$100,000.00
5/22/26	7003956	WHEAT FIELD WIND POWER PROJECT LLC	$2,039,592.47
5/27/26	7003957	US DEPARTMENT OF ENERGY	$21,682,756.00
5/28/26	7003958	US BANK	$92,997.32
5/28/26	7003959	CRAWFORD & COMPANY	$293.38
5/29/26	7003960	CRAWFORD & COMPANY	$1,079.10
5/29/26	7003961	ALUMICHEM USA INC	$525.00
		Total:	**$29,802,487.35**

Payroll			
Period End Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/20/26	5300001552	PUD EMPLOYEES - DIRECT DEPOSIT	$5,534,873.71
5/22/26	845687 - 845698	PUD EMPLOYEES - WARRANTS	$33,469.77

Automatic Debit Payments			
Payment Date	**Payment Ref Nbr**	**Payee**	**Amount**
5/18/26	5300001548	WELLNESS BY WISHLIST INC	$18,144.03
5/18/26	5300001550	LIBERTY MUTUAL GROUP DBA	$20,583.76
5/21/26	5300001553	ADP INC	$1,462,150.59
5/22/26	5300001554	WELLNESS BY WISHLIST INC	$12,717.78
5/22/26	5300001555	WELLNESS BY WISHLIST INC	$11,066.69
5/26/26	5300001556	STATE OF WA DEPT OF REVEN	$2,961,388.22
5/26/26	5300001557	STATE OF WA DEPT OF RETIR	$169,081.15
5/22/26	5300001558	LIBERTY MUTUAL GROUP DBA	$10,035.47
5/27/26	5300001559	US POSTAL SVC	$10,000.00
5/27/26	5300001560	SAFEGUARD BUSINESS SYSTEM	$1,112.72
		Total:	**$4,676,280.41**

BUSINESS OF THE COMMISSION

Meeting Date: June 9, 2026 **Agenda Item:** 3

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: _____

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:

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



Media Report

Kellie Stickney, Lead Communications Specialist - Engagement

June 9, 2026



Media Coverage

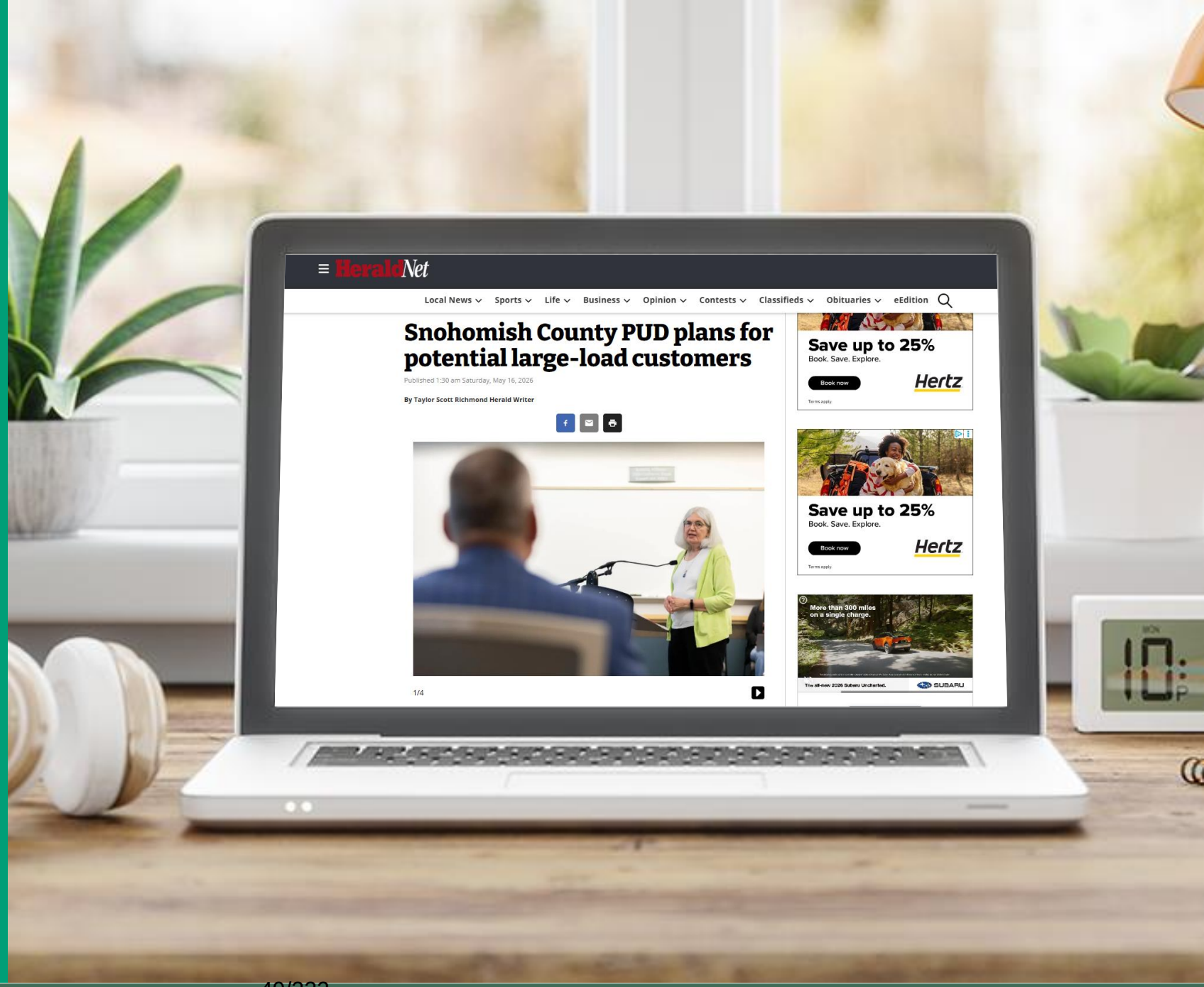
SNOHOMISH PUD
Energizing Life In Our Communities

MEDIA
COVERAGE

Large Load Customers and Planning

First Herald article focused on the process of how the PUD plans for large loads like data centers.

Second article centered on Arlington’s Project Cascade and mentioned PUD.



MEDIA
COVERAGE

Hydro Appreciation Days

Snohomish Tribune article focused on how Woods Creek hydropower serve our community and customers.

Press release on event picked up by Everett Herald.

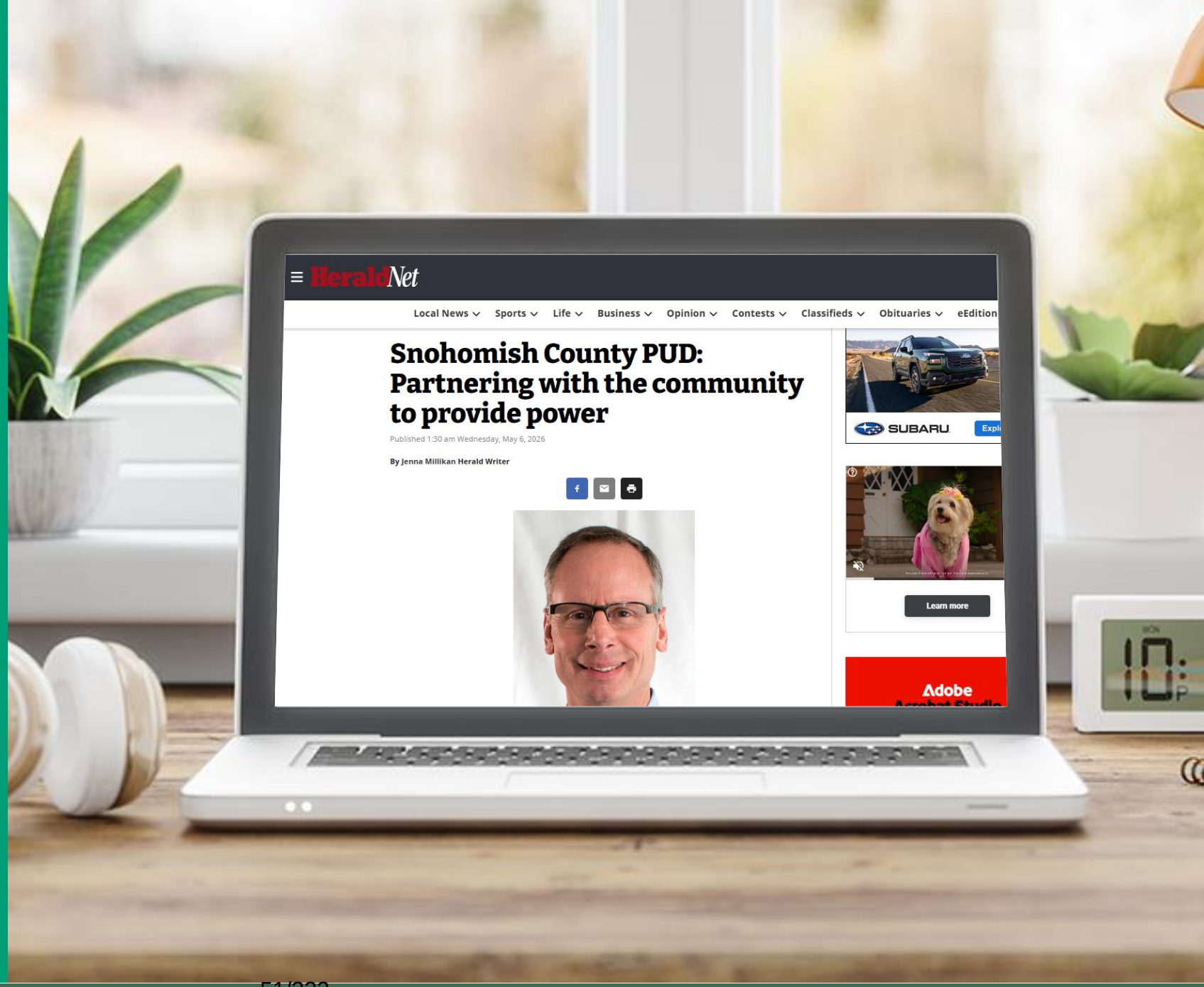


MEDIA
COVERAGE

Opportunity Lives Here Award

PUD awarded Economic Alliance of Snohomish County's "Opportunity Lives Here" award.

Herald interviewed John Haarlow; story focused on work that we've done to promote clean energy, economic vitality and innovation.



Media Coverage

Cognizant Press Release

- Worked with our SAP integrator Cognizant on press release.
- Picked up in industry publications.

Whitewater Release Announcement

- Herald story focused on annual release from Spada for whitewater kayakers.
- Releases are part of our FERC re-license commitment.

Wildfire Awareness Month

- Everett Herald column focused on wildfire awareness, preparedness.
- May Wire focused on wildfires.
- Email on wildfire prep sent to wildfire notification distribution list.



Publications

SNOHOMISH PUD
Energizing Life In Our Communities

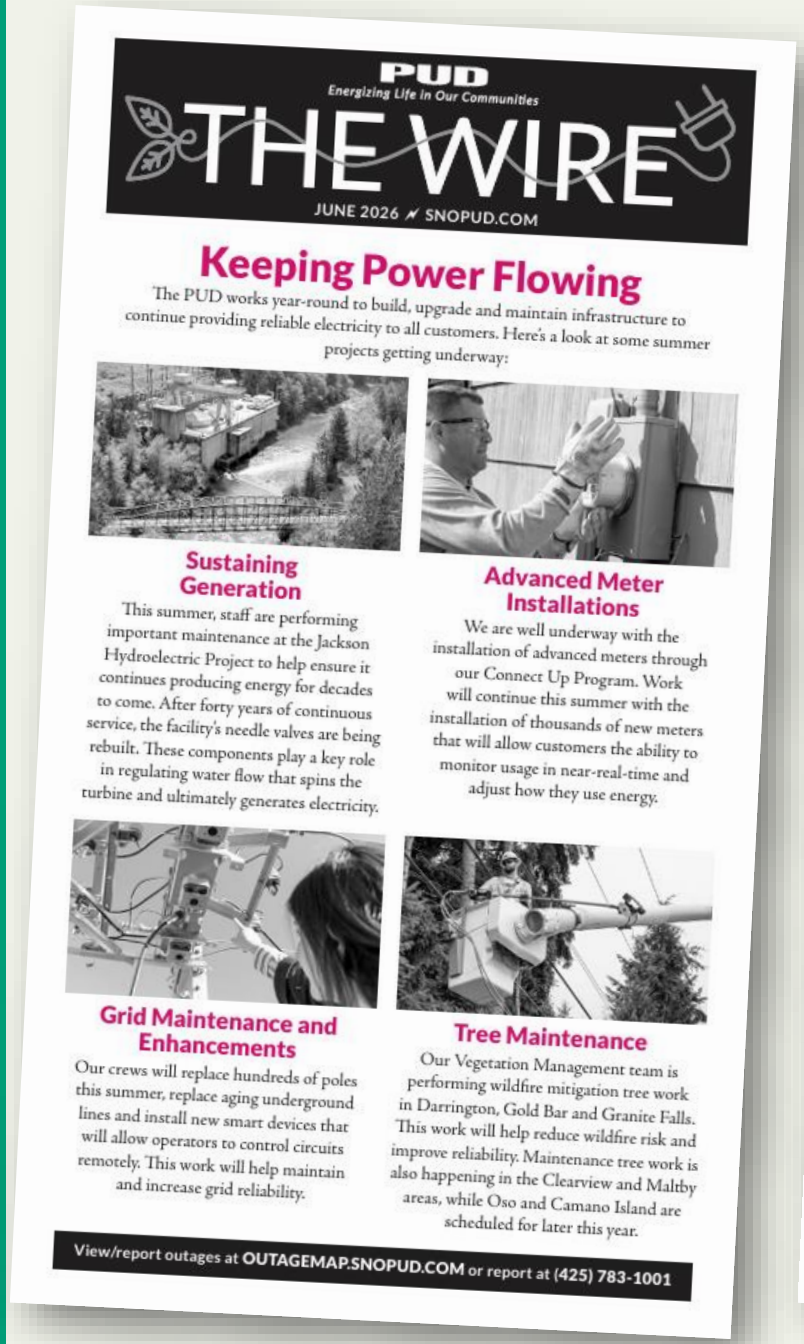
PUBLICATION

June Wire

Focus on summer work to keep the grid strong, including needle valve replacement at Jackson, Connect Up and SnoSMART installs and tree maintenance.

Additional spotlights:

- Jessie Balbiani spotlight.
- Grad time and mylar balloon mention.
- MySnoPUD.
- Community Energy Run.
- Water conservation.



PUD
Energizing Life in Our Communities

THE WIRE

JUNE 2026 ✓ SNOPUD.COM

Keeping Power Flowing

The PUD works year-round to build, upgrade and maintain infrastructure to continue providing reliable electricity to all customers. Here's a look at some summer projects getting underway:

Sustaining Generation

This summer, staff are performing important maintenance at the Jackson Hydroelectric Project to help ensure it continues producing energy for decades to come. After forty years of continuous service, the facility's needle valves are being rebuilt. These components play a key role in regulating water flow that spins the turbine and ultimately generates electricity.

Advanced Meter Installations

We are well underway with the installation of advanced meters through our Connect Up Program. Work will continue this summer with the installation of thousands of new meters that will allow customers the ability to monitor usage in near-real-time and adjust how they use energy.

Grid Maintenance and Enhancements

Our crews will replace hundreds of poles this summer, replace aging underground lines and install new smart devices that will allow operators to control circuits remotely. This work will help maintain and increase grid reliability.

Tree Maintenance

Our Vegetation Management team is performing wildfire mitigation tree work in Darrington, Gold Bar and Granite Falls. This work will help reduce wildfire risk and improve reliability. Maintenance tree work is also happening in the Clearview and Maltby areas, while Oso and Camano Island are scheduled for later this year.

View/report outages at OUTAGEMAP.SNOPUD.COM or report at (425) 783-1001



THE WIRE SNOHOMISH COUNTY PUD JUNE 2026

Employee Spotlight: Jessie Balbiani

Jessie Balbiani, Environmental Specialist III, manages several programs at the PUD including bulk oil disposal, stormwater and wastewater programs, and field surveys. She's dedicated to helping the PUD continuously improve and develop standard operating procedures for specialized programs. Jessie takes pride in the fact that her work protects and improves local communities and believes the PUD's approach to environmental stewardship is unique. "We're doing the right thing because it matters, and we all live here too," Jessie said.

Easy Ways to Save

Improve your soil to save on your water bill!

Healthy soil soaks up water, so you don't have to water as often.

Check out **snopud.com/savewater** for your free yard watering calendar and other water-saving tips.

Safety Spotlight: Mylar balloons

Getting ready for a graduation party or summer BBQ? We suggest using something other than Mylar balloons to decorate. Mylar balloons are conductive and can cause visible arcs, intense heat and even power outages if they contact live wires.

My, my, my: MySnoPUD!

Want easy access to your PUD bill without all the paper? A free MySnoPUD account lets you view years of past bills online, explore your energy use, and even reminds you when a bill is coming due. Visit **snopud.com/mysnopud** for more.

A fun way to help others!

Runners and walkers welcome for the family-friendly Community Energy Run 5k to benefit neighbors in need.

- **When:** Oct. 3, 9 am-noon
- **Where:** Lake Stevens
- Sign up for $40 (price goes up Sept. 1)

Learn more at **snopud.com/run**

SNOHOMISH COUNTY PUD
PUBLIC UTILITY DISTRICT NO. 1

Customer Service: (425) 783-1000
Monday-Friday, 8 am–5:30 pm
1-877-783-1000 outside Everett and in Western WA
Visit us online at snopud.com

Pay your bill:
1-888-909-4628
or online at
MY.SNOPUD.COM

PUBLICATION

NWPPA Bulletin

Community Engagement 2.0 story in May edition.

Focus on how the PUD has taken a more strategic approach to our engagement with the community.



CUSTOMER SERVICE

A Snohomish County PUD lineworker chats with a mother and child during a National Night Out event in Snohomish, Washington.

SNOHOMISH PUD BRINGS STRUCTURE AND STRATEGY TO COMMUNITY ENGAGEMENT

By Aaron Swaney

In the aftermath of the pandemic, Snohomish County PUD purposely invested more into its community engagement strategy. It was an effort built on presence—showing up at fairs, classrooms, events, and neighborhood meetings across its service area in northwest Washington. It was meaningful work, but by 2024 a new question surfaced: What if engagement wasn't just something the PUD did more of, but something it did together, with intention?

That question sparked Community Engagement 2.0—a shift from activity to alignment, from silos to coordination, and from one-off appearances to lasting relationships. Guided by an engagement council, informed by shared dashboards, and grounded in equity, the PUD is building an approach to community engagement that is not only visible but also strategic, inclusive, and built to endure.

Shared direction

The creation of the engagement council in 2024 marked a turning point. The council was established to bring structure, visibility, and shared priorities to engagement work that had long been happening across the PUD. Rather than having community engagement work take place independently away from employees, the council created a centralized place for it all to occur.

Snohomish PUD representatives from across the organization meet regularly to align where the PUD is showing up, what messages matter most, and how customer engagement can support major initiatives, from grid modernization programs to critical infrastructure projects. The result is less duplication, clearer priorities, and a shared understanding of what the PUD is focused on and why.

"The council created a framework for how we intentionally connect and engage with our communities," said Kellie Stickney, Snohomish PUD lead communications specialist-engagement. "Engagement, if done well, can't be siloed and has to be seen as an extension of what our employees do every day in their roles."

Just as important, the council helped reinforce the cultural shift by formalizing this philosophy in the PUD's policy. The revised policy clarified how employees can participate in community events and how the engagement council supports and approves that work.

Visible effort

For years, the PUD has prided itself on being engaged with its customers—whether that was through robust energy efficiency programs, at community events, or in the classroom. What that effort lacked was a good understanding of impact. Internally, staff didn't know how much was happening, where it was happening, or whether engagement was reaching the right customers and doing it equitably.

That changed with the development of community engagement dashboards, which track events by location, audience, and type. These tools make it possible to see geographic coverage, identify gaps, and ensure the PUD isn't overserving some areas while missing others.

"Much of this work was happening, but we weren't able to easily quantify or analyze it because we couldn't see it or track it," Stickney said.

Along with identifying how much and where engagement is happening, the dashboards also help answer a more important question: Is it working? By connecting engagement activity to goals and outcomes, teams can now evaluate what resonates, where to adjust, and how to improve over time.

Reimagining education

Nowhere is that evolution clearer than with the PUD's education team. Over the past few years, the team has shifted to a more formal, inclusive approach, inviting employees from across the organization to participate in STEM nights, classroom visits, and tours. Supported with training and shared talking points, volunteers

Snohomish County PUD customers pose with mascots Zip and Zap at the Fair on 44th in Lynnwood, Washington.

Rebuilding relationships

The engagement council also helped reset the PUD's presence at community business social engagements, including chambers of commerce and other local economic development-oriented meetings. For years, the PUD paid for memberships but got little out of the arrangement with spotty attendance and missed opportunities. That's changed.

Today, Snohomish PUD staff regularly attend chamber meetings, presenting on key topics and building relationships with local business leaders. These presentations are tracked and coordinated, ensuring consistent messaging and follow-through.

"Our renewed presence has strengthened trust and created more opportunities for meaningful dialogue, particularly around economic development and crucial infrastructure projects in our communities," said Brett Smith, north county operations superintendent and regular chamber presenter.

Perhaps the most visible impact of this new approach is around engagement on important infrastructure projects. Historically, community outreach for significant projects was often outsourced. In recent years, the PUD brought that work in-house, allowing engagement to be led by those closest to the work. The difference has been significant.

"Engagement on these major projects is no longer a box to check, but rather an ongoing conversation that starts early and continues throughout the project's life cycle," Stickney said.

The PUD's Maltby transmission line project exemplifies this new approach. By engaging early, hosting a well-attended community meeting, and listening closely to concerns, the team was able to adjust the project route and reduce impacts. Coordination with the PUD's strategic accounts group helped identify small and medium-sized businesses that could be impacted, allowing for one-on-one outreach and relieving pressure on engineering staff so they could focus on design.

On the run

This holistic, more formal approach to community engagement led the PUD to take over sole ownership of its annual run/walk fundraiser. Having partnered with a local running club to put on its Run for Warmth fundraiser over the past three years, the PUD decided to bring the effort in-house this year.

To research its first annual Community Energy Run, Snohomish PUD staff traveled to Clark Public Utilities in Vancouver, Washington, to learn from its experience putting on the successful Race for Warmth, which has raised $560,000 over 12 races. Snohomish PUD has also secured new sponsorships and aligned the Community Energy Run with the water utility's 80th anniversary.

What began as a wellness idea became a community celebration—another example of engagement that connects employees, customers, and purpose in one shared experience. The race is still being run.

Aaron Swaney is the manager of communications and marketing at Snohomish County PUD. He can be reached at (425) 783-1776 or ajswaney@snopud.com.



SNOHOMISH PUD

Energizing Life In Our Communities

Community Engagement Update

June 9, 2026

Kellie Stickney, Lead Communications Specialist-Engagement

Sophia Hitsky, Communications Specialist-Engagement







Events

- 28 Chamber Meetings
- 11 Career Fairs
- 5 Income Qualified Events
- 4 Safety Trainings
- 1 Ribbon Cutting at North Camano Substation

- Bike Everywhere Day – 200
- Hydropower Appreciation Days - 140
- Snow Goose & Birding Festival - 200
- Arbor Day with City of Everett - 25
- Future Energy Panel for Leadership Snohomish County – 40

- Storm Presentations
  - Arlington Rotary
  - Lynnwood Police Department Volunteers
  - Arlington Chamber
  - Edmonds Chamber
  - Granite Chamber
  - Lake Stevens
  - Sky Valley
  - Stanwood
  - Snohomish

ENERGY BLOCK PARTY

- **~5,000** community members attended
- **>$600** dollars raised for CEF at the Parachute drop
- **214** entries in the PUD Electric Cake Walk
- **125** attendees at the Helion & Energy NW Panel Discussion
- **200** attendees at Wanda Flipplefairy











EBP Participants

Outside Agencies:

- Community Transit
- Washington State Patrol
- King County Multifamily Building Decarbonization
- Snohomish County
  - Office of Energy & Sustainability
  - Sheriffs Office
  - Search & Rescue
  - Department of Emergency Management
- City of Everett
  - Fire
  - Police
  - Public Works
  - Everett Transit











Sponsorships

- YMCA Adaptive Sports
- Bite of Stanwood
- The Life Enhancement Expo





Looking Forward to 2026

- Lake Stevens Pride: June 7
- Everett Pride: June 20
- AquaFest: July 10-12
- Granite Falls Show n Shine: August 1
- National Night Out, August 4:
  - Marysville
  - Sultan
- Parades:
  - Marysville Strawberry Festival: June 20
  - Arlington 4th of July
  - Sultan Shindig: July 11
- Evergreen State Fair:

  August 28-30 & September 4-6
- Fair on 44th: September 12
- El Sol Ribbon Cutting: September 19
- Return of the Salmon: September 26
- Community Energy Run: October 3







SNOHOMISH PUD

Energizing Life In Our Communities

BNSF Deer Creek Flats Radio Tower Lease Amendment

Presented by Nick Johnston, Manager Telecommunications
June 9, 2026

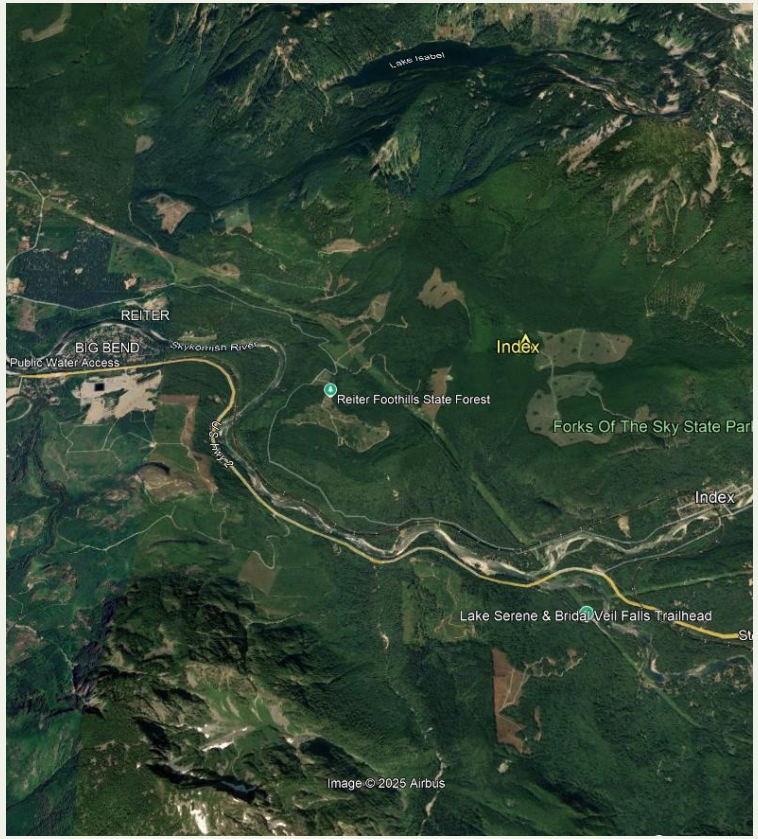
Previous Presentation: September 9, 2025

Purpose

- Amend the BNSF Deer Creek Flats lease agreement to allow replacement of the District's 900 MHz Land Mobile Radio equipment.
- June 9, 2026, Commission meeting:
  - Inform the commission for approval.
  - Approve a resolution authorizing new license agreement amendment for replacement of the District’s 900 MHz Land Mobile Radio equipment.

Background

- The District Operates two land mobile radio systems at BNSF's Deer Creek Flats radio site.
- The site's high elevation increases radio coverage on along the Highway 2 corridor.
- District is replacing their 900 MHz land mobile radio system.
- Original license agreement signed in 2009:
  - Initial rate of $6,000 per year (currently at $25,034).
  - 5-year term with 4 additional automatic 5-year renewal periods.
  - Expired in 2024.
- First Amendment 2006:
  - Add MAS radio.
  - Increase to $9,300 per year.
- Second Amendment 2019:
  - Add VHF radio equipment.
  - Increased rent to $18,681.
- Third Amendment 2026:
  - Reinstatement of expired agreement.
  - Replacement of 900 MHz radio equipment.
  - Increased rent to $25,037.95.



Amendment 4

- Amendment proposed to BNSF's Deer Creek Flats Site Lease agreement that will provide for the following:
- Addition of dedicated transmit 900 MHz antenna and additional radio unit.
- Increase fee by $2,400 per year ($27,437.95).

Next Steps

- At this meeting June 9, 2026:
  - Commission consideration of resolution authorizing new license agreement amendment for replacement of the District's 900 MHz Land Mobile Radio equipment.

SNOHOMISH PUD

Energizing Life In Our Communities

Upper Sultan River Outstanding Resource Waters

Ryan Collins – Government and External Affairs Specialist III

June 9, 2026



Agenda and Purpose

Agenda

- Update on Upper Sultan Outstanding Resource Water (ORW) nomination
- Background and context
- Department of Ecology process overview
- Key knowns and unknowns
- Status and next steps

Purpose

- Informational Only

Outstanding Resource Waters (ORW)

What is an Outstanding Resource Water?

- An Outstanding Resource Water is a specific geographic surface water that receives the highest level of protection under the federal Clean Water Act, as determined by Washington's Department of Ecology.
- Once designated, the existing water quality and uses must be maintained and protected to ensure there is no degradation to water quality standards.

Waterbody Criteria



Relatively pristine condition and located within specific federal or state parks and wilderness areas.



Unique or regionally rare aquatic habitat types.



High water quality combined with regionally unique recreational value.



Exceptional statewide ecological significance.



Cold-water thermal refuges critical to aquatic species.

Upper Sultan Nomination

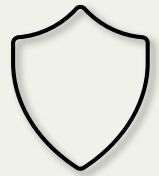
Nomination Proponents

- **8 nonprofit and advocacy organizations** including conservation, fisheries and recreational interests submitted the nomination on February 25, 2026.
- Nomination was submitted as a **joint statewide package**, with each river intended to stand on its own merits.

What the Nomination Seeks

- Designation of the Upper Sultan River as an **Outstanding Resource Water.**
- **Tier III(A) designation preferred**, with Tier III(B) identified as an alternative.
- Permanent application of the **non-degradation standard** to nominated water.

Nomination's High-Level Rationale



"Highest Water Quality Protection"



"Protected Headwaters"



"Sensitive Species Habitat"



"Cold-Water System"



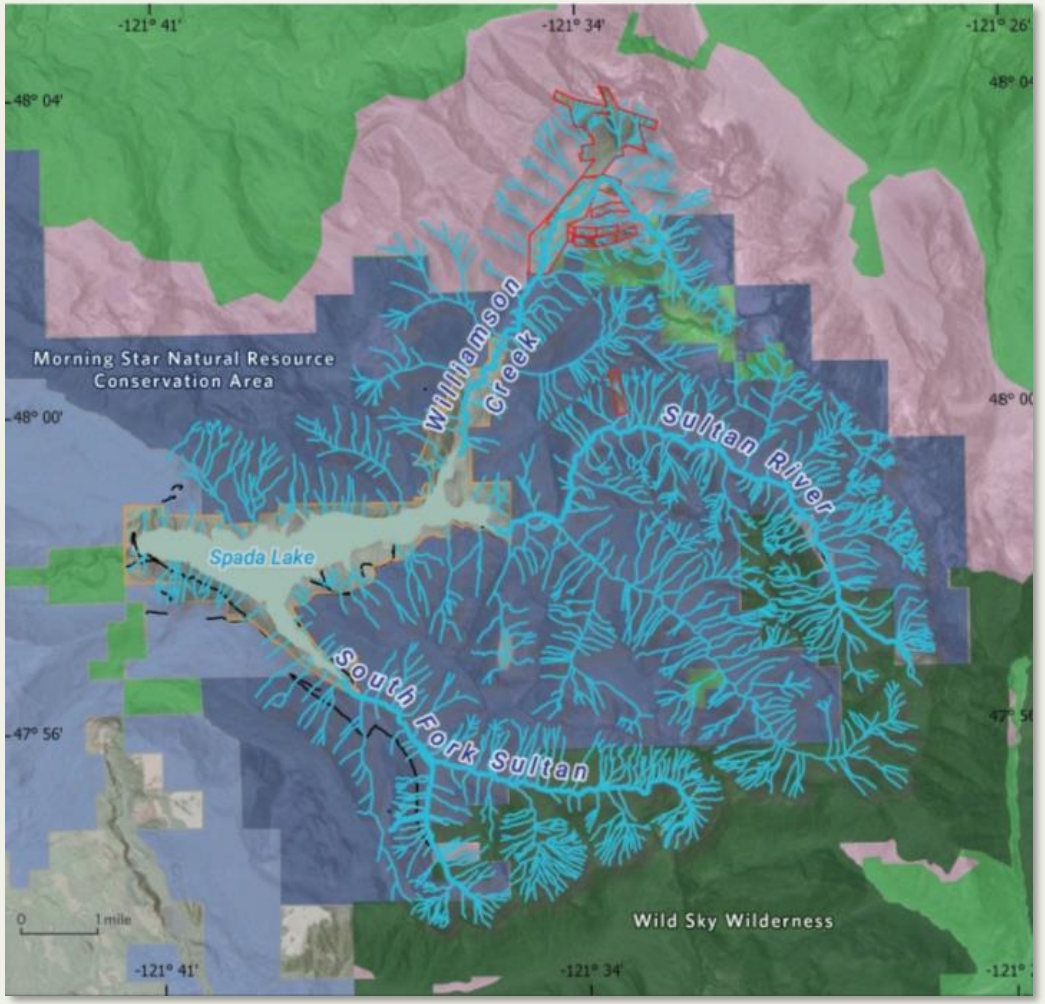
"Future Risk Without Designation"

Current Understanding and Considerations

What We Know Today

1) The proposed designation is **<u>geographically</u>** limited to all upstream tributaries above Spada Reservoir's Culmback Dam measured at the spillway.
2) Nomination carries **permanent non-degradation requirements** on measured water quality.
3) ORW standards are **implemented through regulatory actions:**
   - Section 401 Water Quality Certifications.
   - Water right permits and amendments.
   - Discharge and construction permits.
   - Other approvals that could affect water quality or instream conditions.
4) Existing lawful operations may **continue, subject to the no degradation standard, and new or expanded activities** are subject to Tier III review.

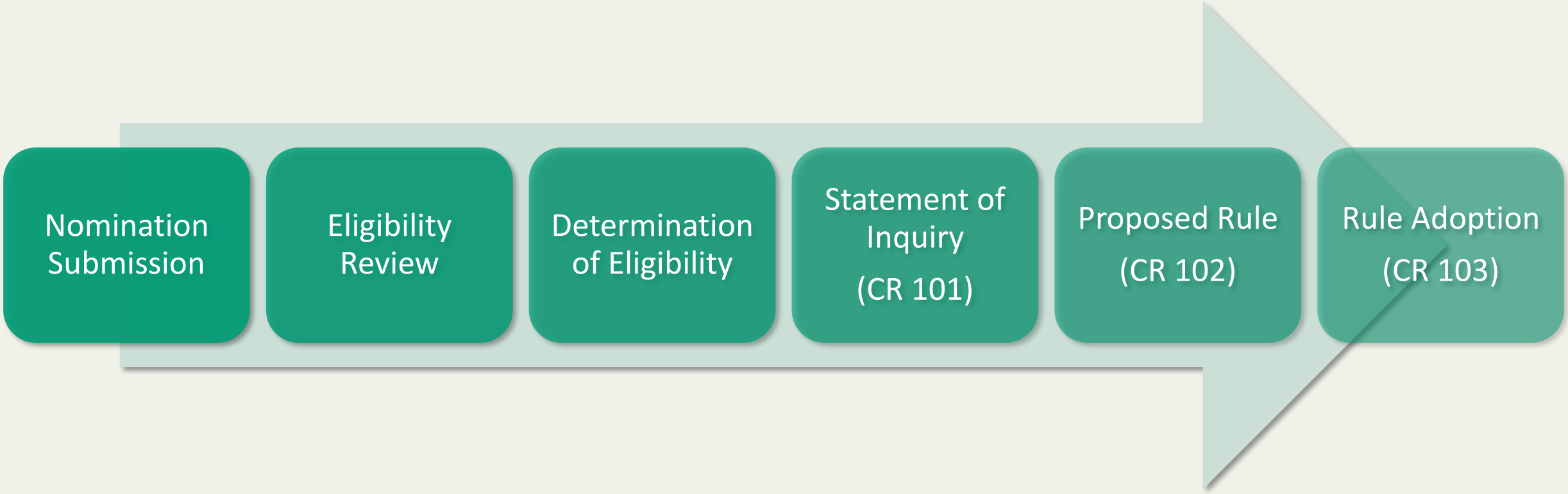
Snohomish PUD is opposed to the nomination in its current form.



Areas of Uncertainty

Uncertainty Area	Affected Agencies / Authorities	Regulatory Touchpoints	Key Implications / Open Questions
Interpretation of "No Degradation" for existing operations.	Ecology; Federal Energy Regulatory Commission (FERC); Department of Fish & Wildlife (WDFW).	Water Quality Standards; FERC license conditions.	Could routine operations, maintenance, or adaptive management at Spada Lake be constrained or require new approvals?
Implementation of standards for permits across multiple agencies.	FERC; Ecology; Department of Natural Resources (DNR); WDFW; US Fish & Wildlife (USFWS); Department of Archeological and Historical Preservation (DAHP); State Environmental Protections Act (SEPA) agencies.	EA/EIS; Section 401 Certification; Hydraulic Project Approval; Forest Practices; Biological Opinion; SEPA review.	Risk of overlapping, inconsistent, or sequential requirements across agencies.
Federal relicensing and oversight.	Federal Energy Regulatory Commission (FERC)	Environmental Assessment (EA); Environmental Impact Statement (EIS).	Uncertainty in scope, timing, and mitigation requirements tied to designation.

Department of Ecology ORW Process



Previous nominations took ~18 months from eligibility determination to final rule issuance.

(PUD staff anticipates this process could be faster.)

Upper Sultan Eligibility

On April 24, 2026, The Department of Ecology determined that the Upper Sultan River is Eligible.

What Eligibility Means	What Eligibility Does Not Mean
Meets at Least One Eligibility Criterion (WAC 173-201A-330)	No ORW Designation
Allows Nomination to Move Forward	No Final Boundaries
Triggers: • Public Process • Tribal Consultation • Tier III (A) vs III (B) evaluation	No Tier Selection
Decision Based Only on Nomination Materials	No Permitting Decisions
	No Resolution of Implementation Questions

Eligibility does not indicate there are no social or economic impacts to the local region.

Designation Criteria

Regulatory Standard

WAC 173-201A-330(3)(b)

"Outstanding resource waters should not be designated **where substantial and imminent social or economic impact to the local community will occur,** unless local public support is overwhelming in favor of the designation. **The department will carefully weigh the level of support from the public and affected governments** …"

Tier III Designation Could



Limit hydropower operations.



Constrain water supply management.



Restrict adaptive management under the Jackson FERC license.



Reduce flexibility to respond to climate drive hydrology.

Potential Outcomes



Challenges meeting 100% carbon-free electricity by 2045.



Complications for future relicensing.



Constraints on future clean energy and water storage projects.

Substantial and imminent social & economic impacts locally.

Current Status & Next Steps

- Formal public rulemaking process has not started but is expected to soon.
- PUD staff are meeting with Ecology staff soon as part of the formal statement of inquiry proceedings.
- PUD staff continue to engage with local and state partners on the nomination ahead of a formal proposed rule and public hearings including the City of Everett, Snohomish County, Tulalip Tribes, and the Washington State Department of Natural Resources.

Questions?

SNOHOMISH PUD
Energizing Life In Our Communities

Purchase of Property for Future Cathcart Substation

Maureen Barnes, Manager Real Estate Services

June 9, 2026

Purchase Property for Future Substation

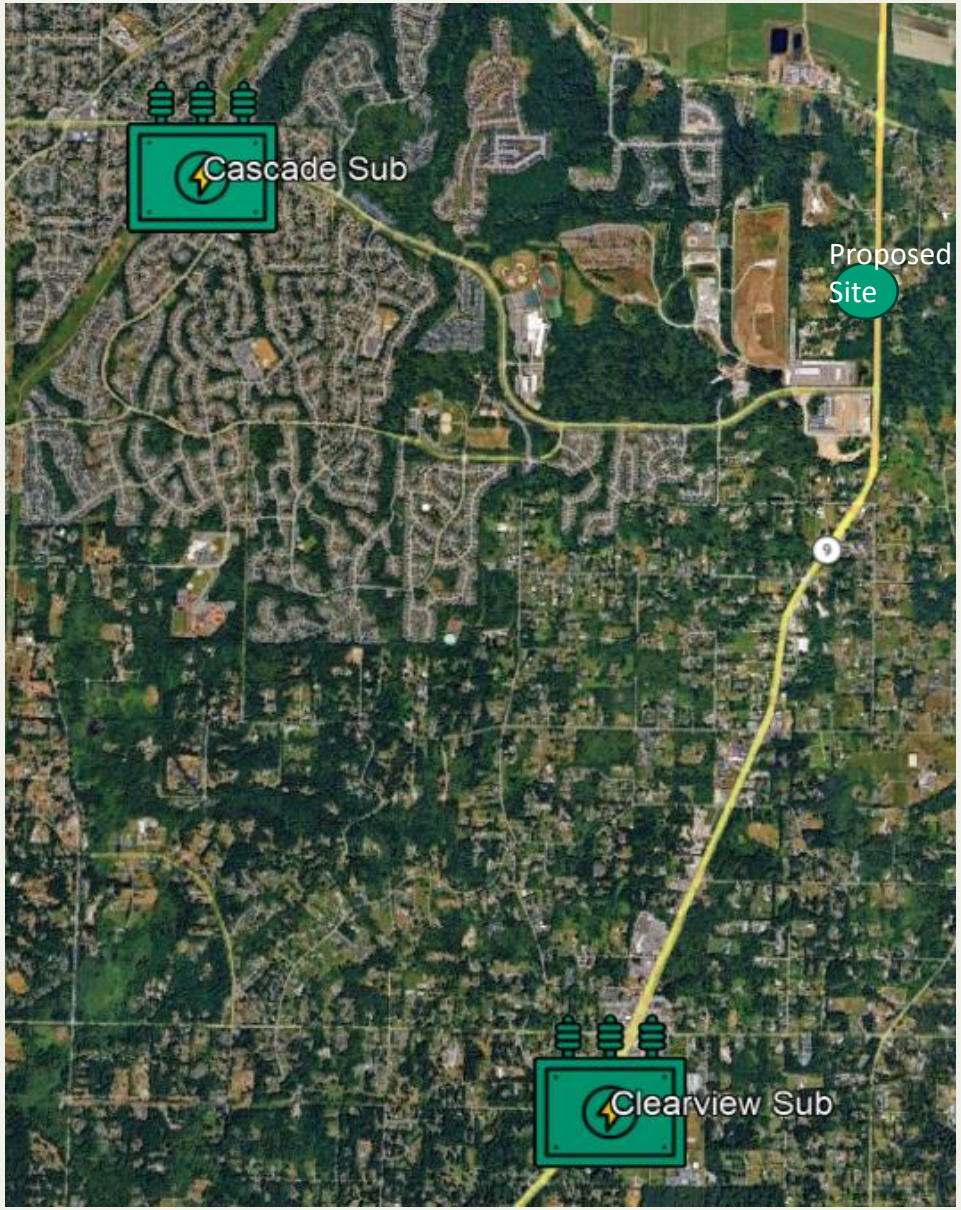
- The purpose of this presentation is to:
  - ➢ Inform the Board of the proposed fee purchase of 4.43-acres located at 14303 89th Avenue SE, Snohomish, WA (Cathcart Substation).
  - ➢ Outline the primary terms of the transaction.
- This transaction will be before the Commission for approval by resolution at the June 23, 2026, Commission meeting.

Property Purchase, Background

- The District's Electric System Capital Plan has identified the need for an additional substation in the Cathcart area.
- The substation (Cathcart Substation) is needed to meet current and future demand for electric power in the area and to improve overall reliability.
- The current schedule for the substation is being driven by nearby development, but it's important to know that the substation itself would be needed in the future with or without this development.
- Our goal is to have the new substation operational by 2030.

Existing Conditions

- Currently power for the surrounding neighborhoods is largely dependent on two PUD substations:
  - **Cascade Substation** (near Safeway), and
  - **Clearview Substation** (Hwy 9 & 184th).
- Both of these substations are heavily loaded due to existing demand and general growth.
- Also, these two substations back each other up for maintenance outages, making it difficult to service these substations during periods of peak demand or under emergency conditions.



Proposed Site Purchase

- The site is located off of State Route 9, near Cathcart Way and consists of 4.43-acres of land. The parcel is zoned Rural 5-acre (R-5) and previously was permitted for development of a Church.
- Additionally, the site is adjacent to Snohomish County's 150-acre Operations Center/Solid Waste Landfill where the District is planning to place a Solar Facility.
- A Purchase and Sale Agreement (PSA) was signed in March 2026, with a purchase price of $1.175 million, with closing to be completed by mid-July 2026.



Access Road from SR-9


Gravel Driveway



Due Diligence

- The following studies have been completed with no adverse results:
  - Phase I Environmental Investigations.
  - Geotechnical Investigation.
  - Cultural Resource Investigation.
  - Wetlands Report.
  - Title Report.
  - Member of Appraisal Institute (MAI) designated appraiser has completed an appraisal which supports the purchase price of $1.175 million.

Next Steps

- At the June 23, 2026, Commission meeting staff will return to Commission to request approval of this transaction via resolution.
- This purchase has been vetted by multiple departments and has been approved to proceed with the purchase.

Questions?



SNOHOMISH PUD

Energizing Life In Our Communities

Burn Road Reservoir PUD Property Future Right-of-Way Reservation

Andrew Sics, Principal Engineer

June 9, 2026

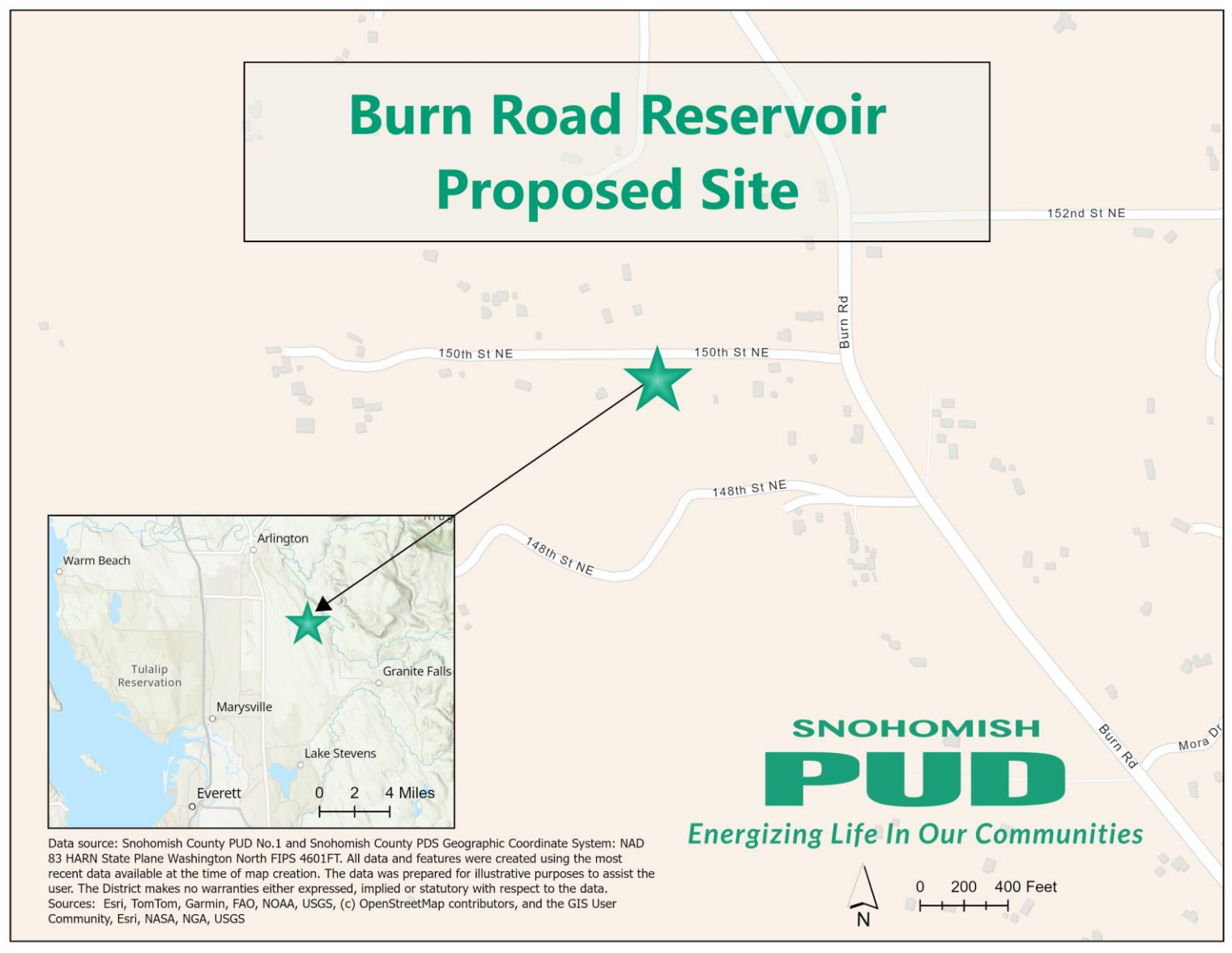
This Presentation:

- Purpose of this Presentation:
  - Inform the Commission of a request to declare a portion of District property (home of the future Burn Road Reservoir) as surplus to the needs of the District in order that it may be reserved as future Snohomish County Right-of-Way as part of the permitting process for the Burn Road Reservoir project.
  - Answer any questions regarding the matter.
- Expectations of the Board:
  - Informational Only. The matter will be brought to Commission for a public hearing and vote on a surplus resolution at the June 23, 2026, Commission meeting.

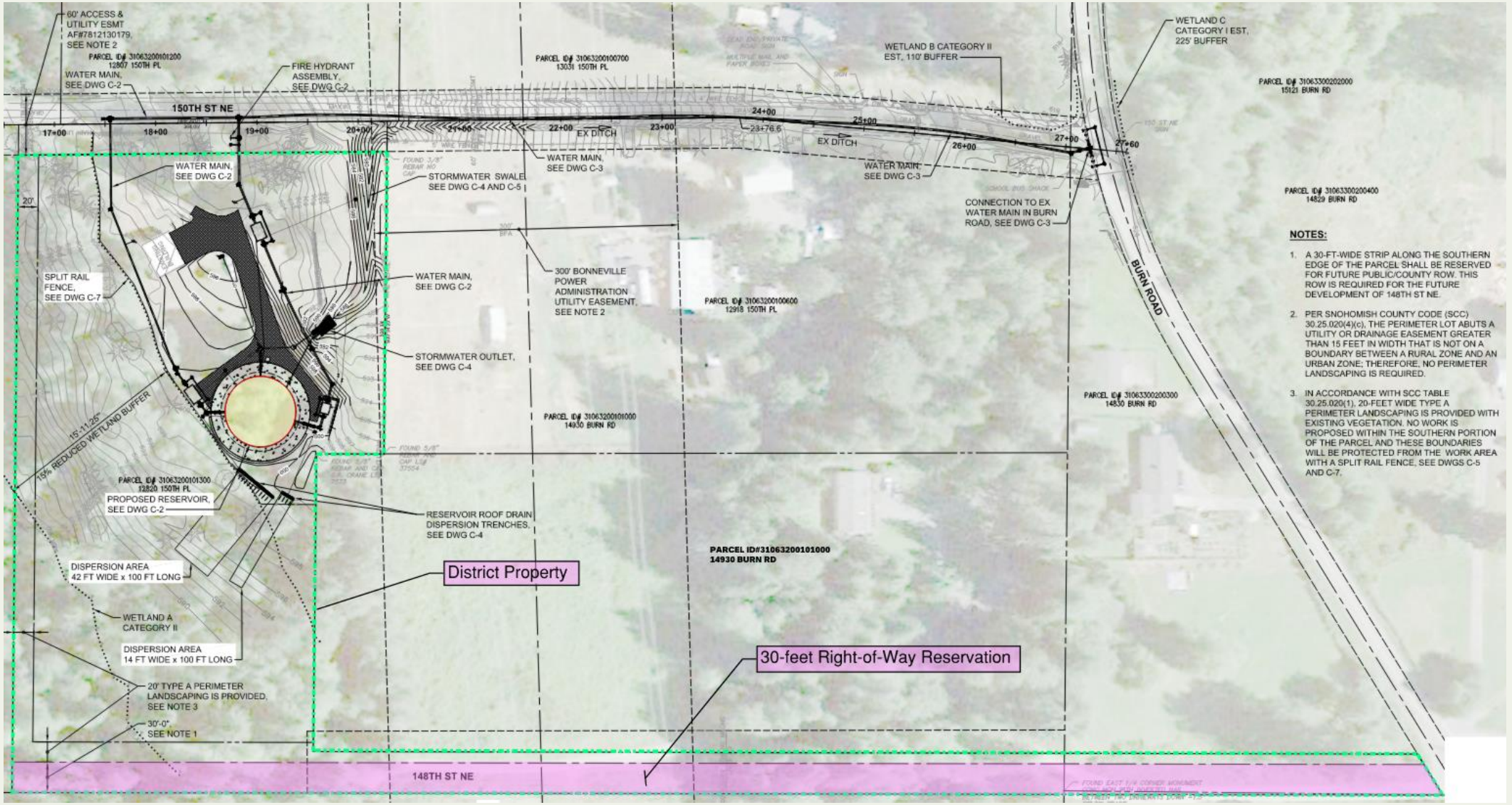
Burn Road Reservoir Project

- The District is in the process of obtaining a Conditional Use permit and other permits from Snohomish County for a new 3.6-million-gallon water reservoir on District owned property located on 150th Street NE, just west of Burn Road.
- The new water reservoir will be part of the District's water utility system.
- Snohomish County requires the southern 30 feet of the property to be reserved for future 148th Street NE Right-of-Way as part of the permit process.
- When Snohomish County proceeds with the future expansion of 148th Street NE, it will purchase the reserved Right-of-Way from the District.

Property Location



Right-of-Way Reservation Exhibit



Next Steps

- A public hearing and vote will be held at the June 23, 2026, Commission Meeting for consideration of a resolution to determine whether the property interest should be declared surplus to the District's needs and to authorize its reservation for future Right-of-Way.

Questions?



SNOHOMISH PUD

Energizing Life In Our Communities

Treasury Report

Presented By: Lauren Way Manager, Treasury & Financial Risk / Deputy Treasurer

June 9, 2026

Overview

Purpose:

- Establish a reporting cadence of key Treasury topics which support financial stability and long-term customer affordability.
- Share key indicators, trends, and forecasts related to liquidity, investments, and debt, with context for interpretation.

Board Action Items:

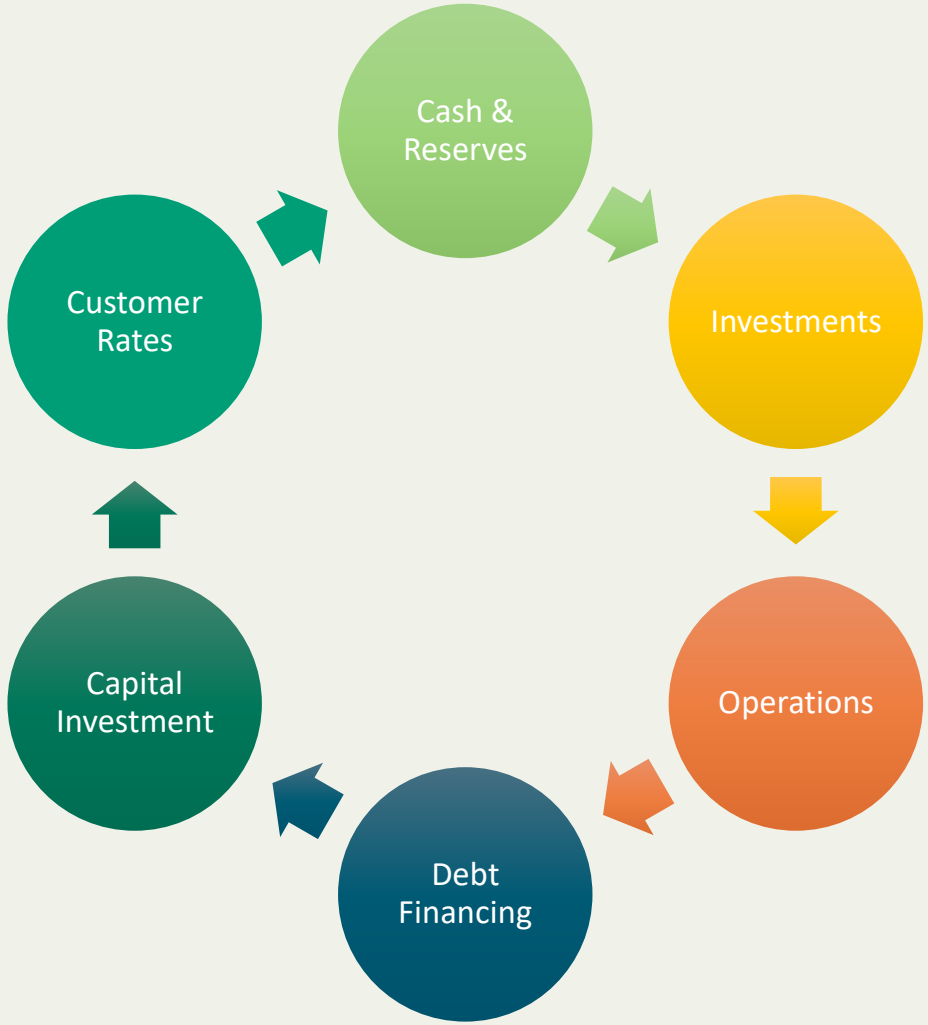
- No action required – for informational purposes only.

Key Messages for Today:

- Economic conditions are ever changing and influence costs, investment earnings, and borrowings, and are actively monitored to inform Treasury strategy.
- Liquidity and adequate reserves are foundational to financial health and flexibility.
- Investment strategy prioritizes safety and liquidity while adapting to changing market conditions.
- Debt is used deliberately to fund long-term infrastructure while supporting stable customer rates.

Treasury's Role in Financial Health

- Financial health, flexibility, and customer affordability is anchored by proper balance across the funding cycle.
- Key decisions in one area directly influence outcomes in others, tradeoffs affecting liquidity, earnings, and future flexibility.
- Board-adopted policies provide the boundaries; Treasury, Finance, and operating teams monitor and implement within that framework.
- Goal: overall financial health in support of reliable operations, capital delivery, and long-term rate stability.



Executive Summary

Current Financial Position:

- Strong liquidity and reserve levels support operational flexibility, capital funding, and stable investment earnings.

Debt & Capital Strategy:

- Debt remains stable and manageable, with sufficient flexibility to support future capital needs as timing evolves.

Key Watch Items:

- Monitoring reserve levels, capital timing, interest rate conditions, and broader economic impacts to inform financial strategy and customer considerations.

YTD through April 30, 2026

DCOH - ELC
216
Req 180 |+36
Floor 165 | +51

Portfolio Balance
$658M
Prior Year $467M |+191M

DCOH - WAT
145
Req 150 | -5
Floor 135 |+10

Outstanding Debt
$610M
Prior Year $478M |+132M

Interest Income
$8M
YTD Budget $6.6M |+1.4M

Compliance Status
Investment Policy
Debt Covenants

Economic & Market Context



Economic Impacts to Financial Health

Cost pressure: inflation can affect O&M and capital costs, which can influence liquidity needs and rate trajectory.

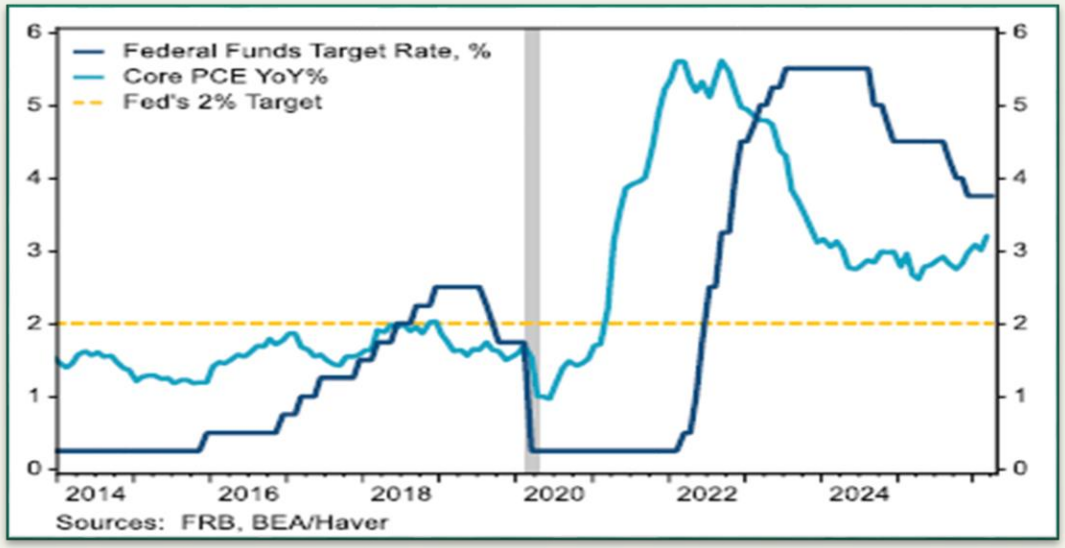
Investment earnings: declining or rising rates change portfolio yields over time; impacts show up in cash interest income trends.

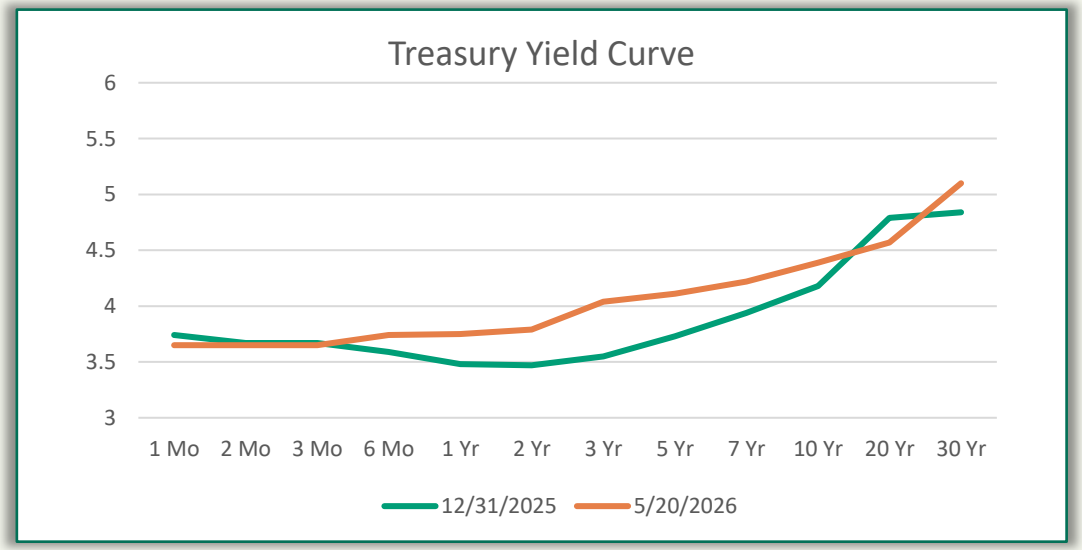
Borrowing costs: market rates and volatility influence issuance timing and refunding opportunities.

Customer impact: economic conditions can affect customer financial health and inform how the District considers customer needs and supports the community during periods of economic uncertainty.

Current Economic & Market Conditions

- Inflation remains elevated and volatile, driven in part by energy cost fluctuations and global events.
- Labor market conditions and unemployment affect regional economic activity and customers. Conditions remain relatively stable, but broader economic uncertainty persists.
- Federal Reserve policy path remains uncertain, which influences both investment earnings and future borrowing costs.
- Market uncertainty remains elevated due to geopolitical risks and ongoing inflation uncertainty.





Financial Reserves



Reserve Framework

Reserves are the foundation of financial stability, enabling the District to meet operating needs, fund capital programs, and respond to uncertainty.

Operating



Support working capital and seasonal variability.

Contingency



Mitigate exposure to events such as storms, market volatility, and insurance risks.

Project



Fund capital and other specific programs.

Benefits



Support long-term employee benefit obligations and manage cost variability over time.

Sinking



Funds set aside on schedule to meet periodic payments.

Debt Service Reserve



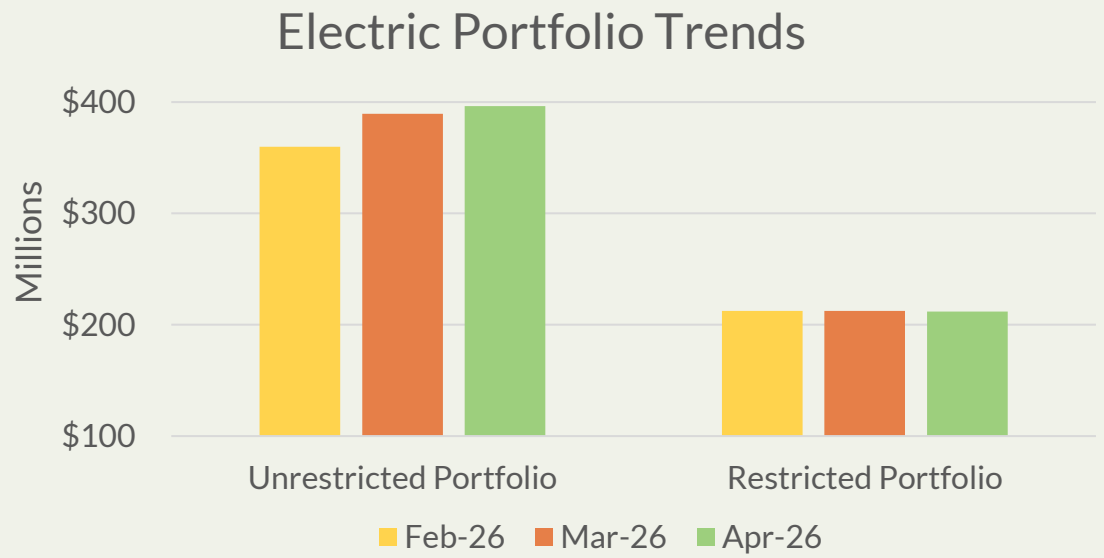
Ensure compliance with bond covenants.

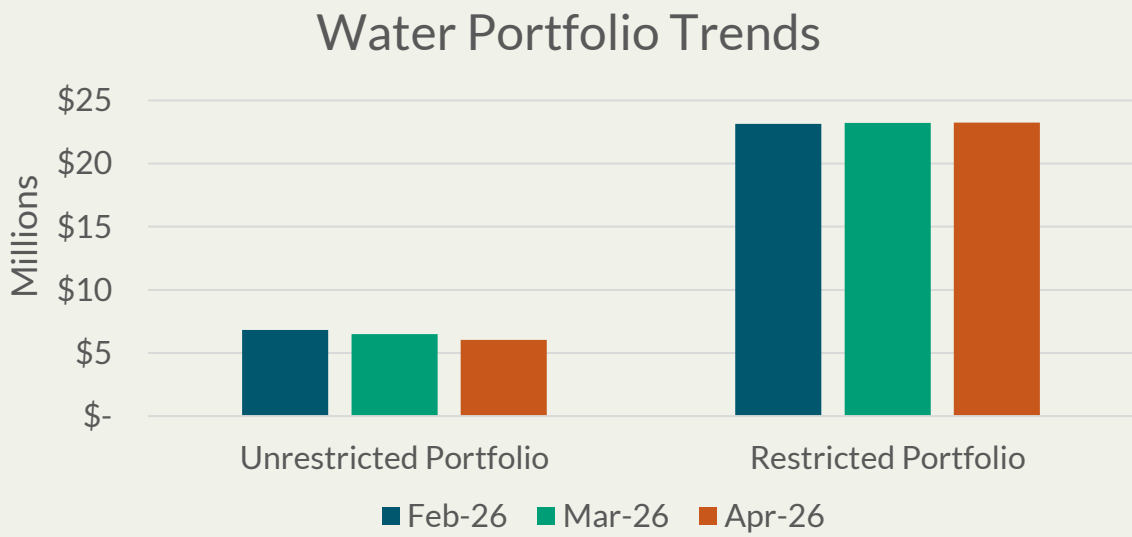
Reserve Adequacy Background

- Reserve targets are designed to reflect each system's risk profile, cost structure.
- Reserve policies are constructed to:
  - Ensure the District can consistently meet financial obligations.
  - Provide flexibility in capital planning and operations.
  - Reduce the likelihood of temporary or abrupt rate adjustments.
- Reserve adequacy is evaluated using policy-defined thresholds and supplemented with credit rating/peer benchmarking to provide context on financial position and credit quality.

Reserve Adequacy Metrics and Usage

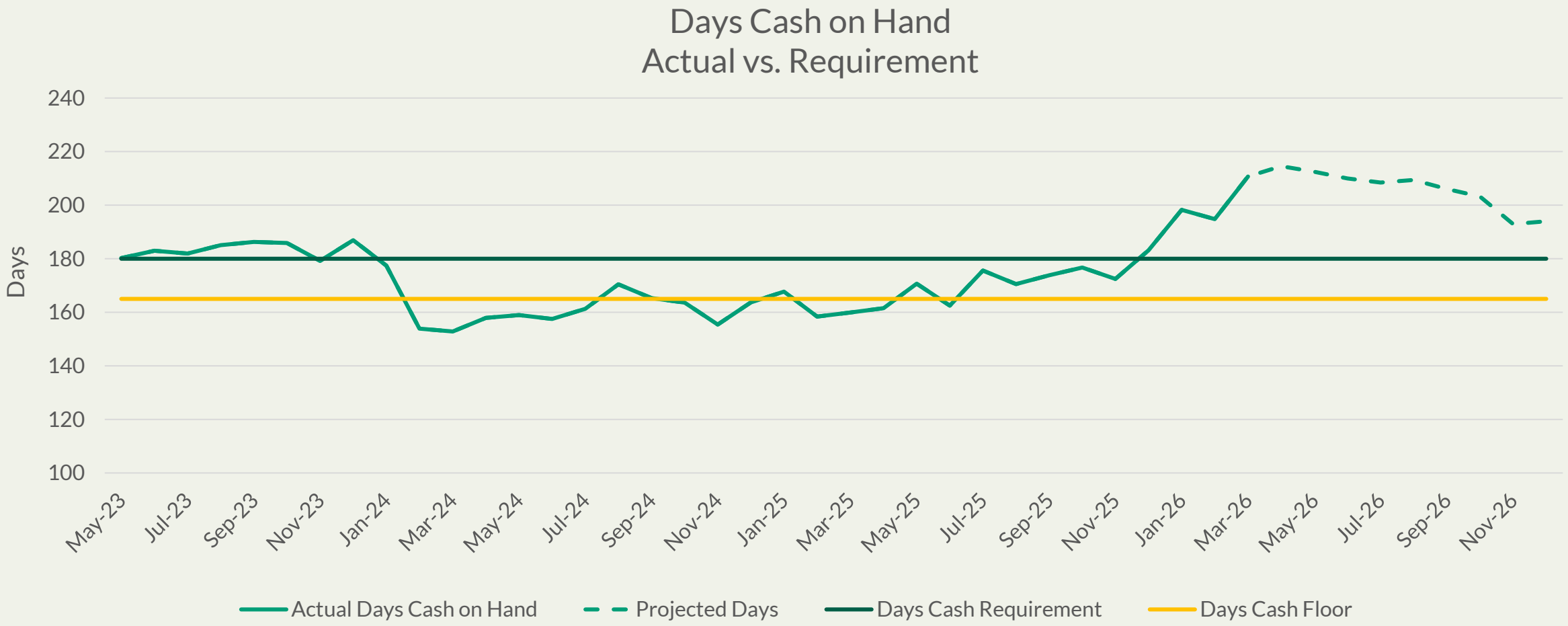
- Primary metric: Days Cash on Hand (DCOH), which measures the number of days operations can be funded using available unrestricted reserves:
  - Unrestricted Reserves = Operating + Rate Stabilization Fund + Privilege Tax Fund:
    - Electric System: 180-day target, 165-day floor.
    - Water System: 150-day target, 135-day floor.





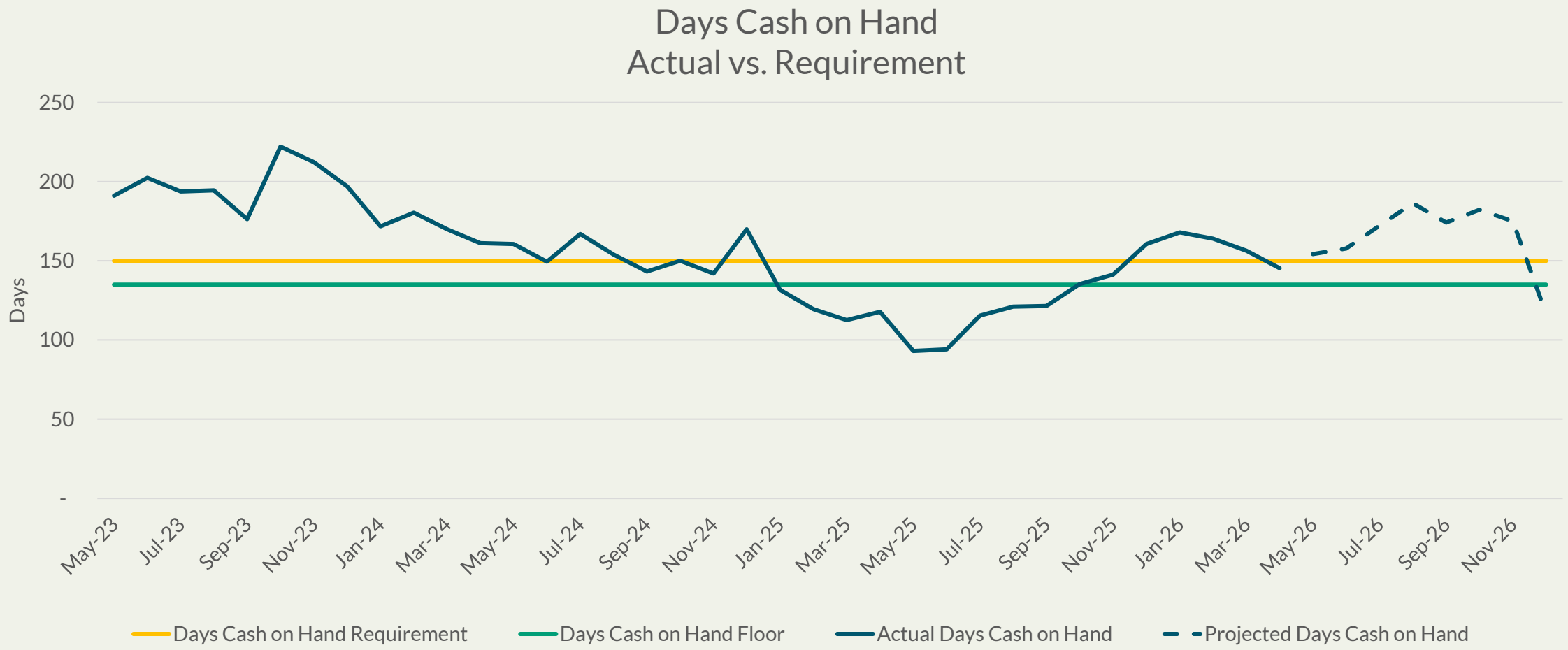
Liquidity Trend & Outlook - Electric

Projected to remain above target through year-end, with cushion narrowing as capital timing and consumption normalizes through summer months.



Liquidity Trend & Outlook - Water

Projected to remain below target in the near term, improving over time in alignment with the policy phase-in through 2029, with increased sensitivity to capital and operating timing while cushion is reduced.



Reserve Adequacy Benchmarking

- Compared to AA-rated utilities, Days Cash on Hand is modestly below the peer median, while debt levels are also lower:
  - Utilities with higher debt typically maintain higher reserve levels due to reduced financial flexibility and limited borrowing capacity.
  - Lower leverage supports flexibility and reduces the need to maintain reserves at the same level as more highly leveraged peers.

Moody's – US Public Power AA Comparison

Metric	Peer Median	SnoPUD
Days Cash on Hand	253	183
Debt Ratio*	36%	24%

Moody's – US Water Enterprise AA Comparison

Metric	Peer Median	SnoPUD
Days Cash on Hand	523	161
Debt Ratio*	25%	14%

*Debt Ratio as calculated by Moody's

Investment Performance



Investment Approach



Legality

All investments must follow state law and District policy



Safety

Protecting public funds by preserving principal is the top priority



Liquidity

Portfolio is structured so funds are available when they're needed

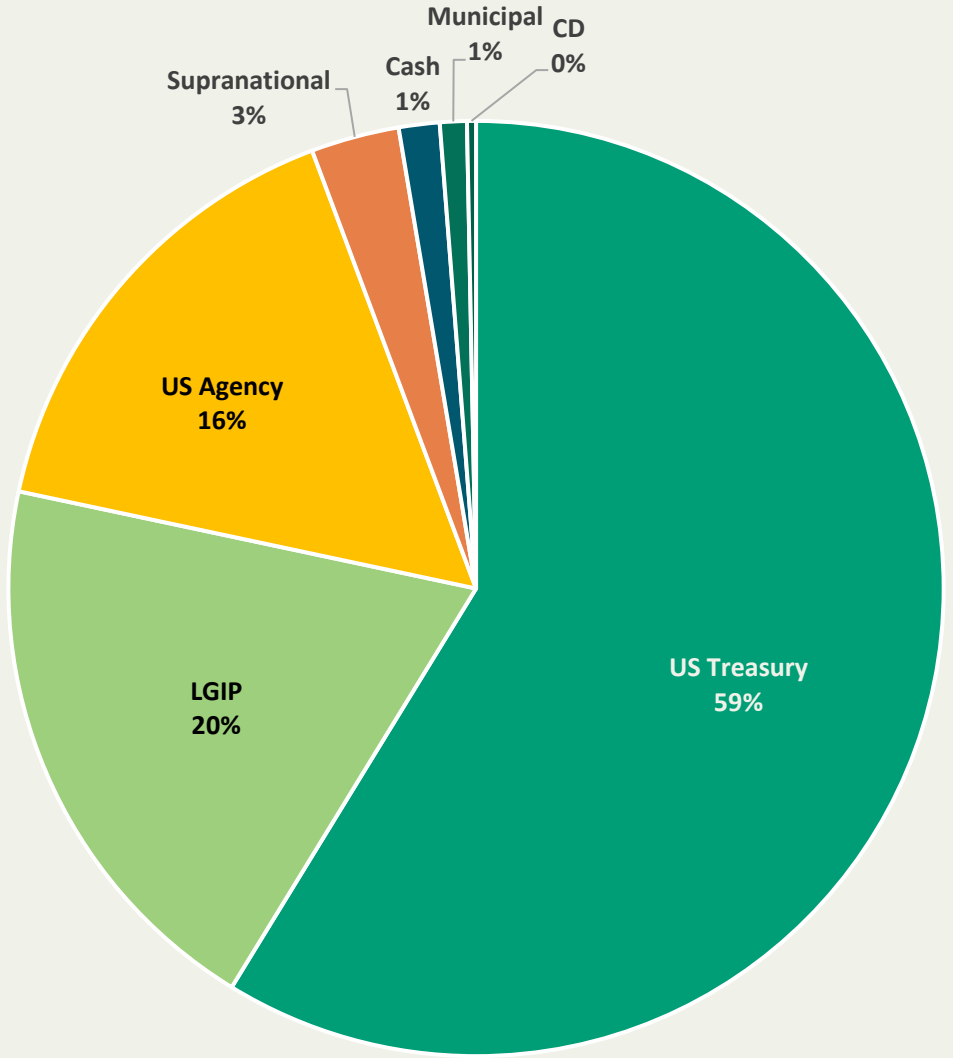


Return

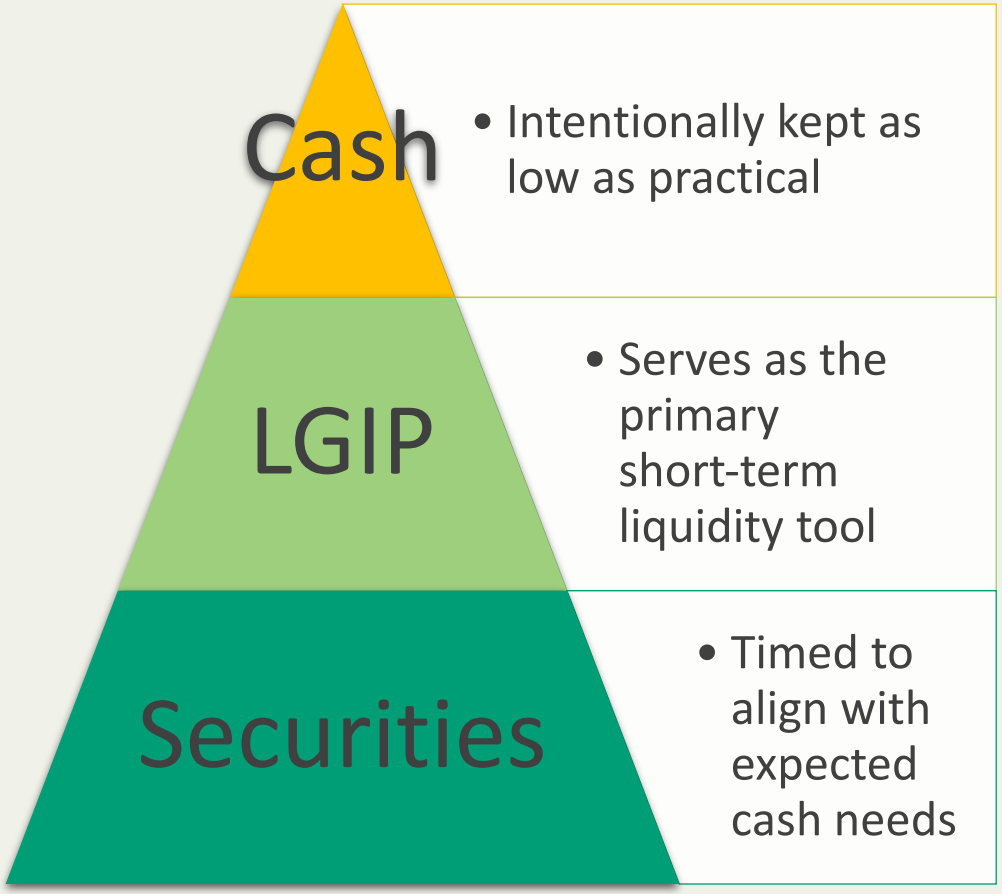
Objective is to earn a market rate of return over time, not maximize yield in the short term

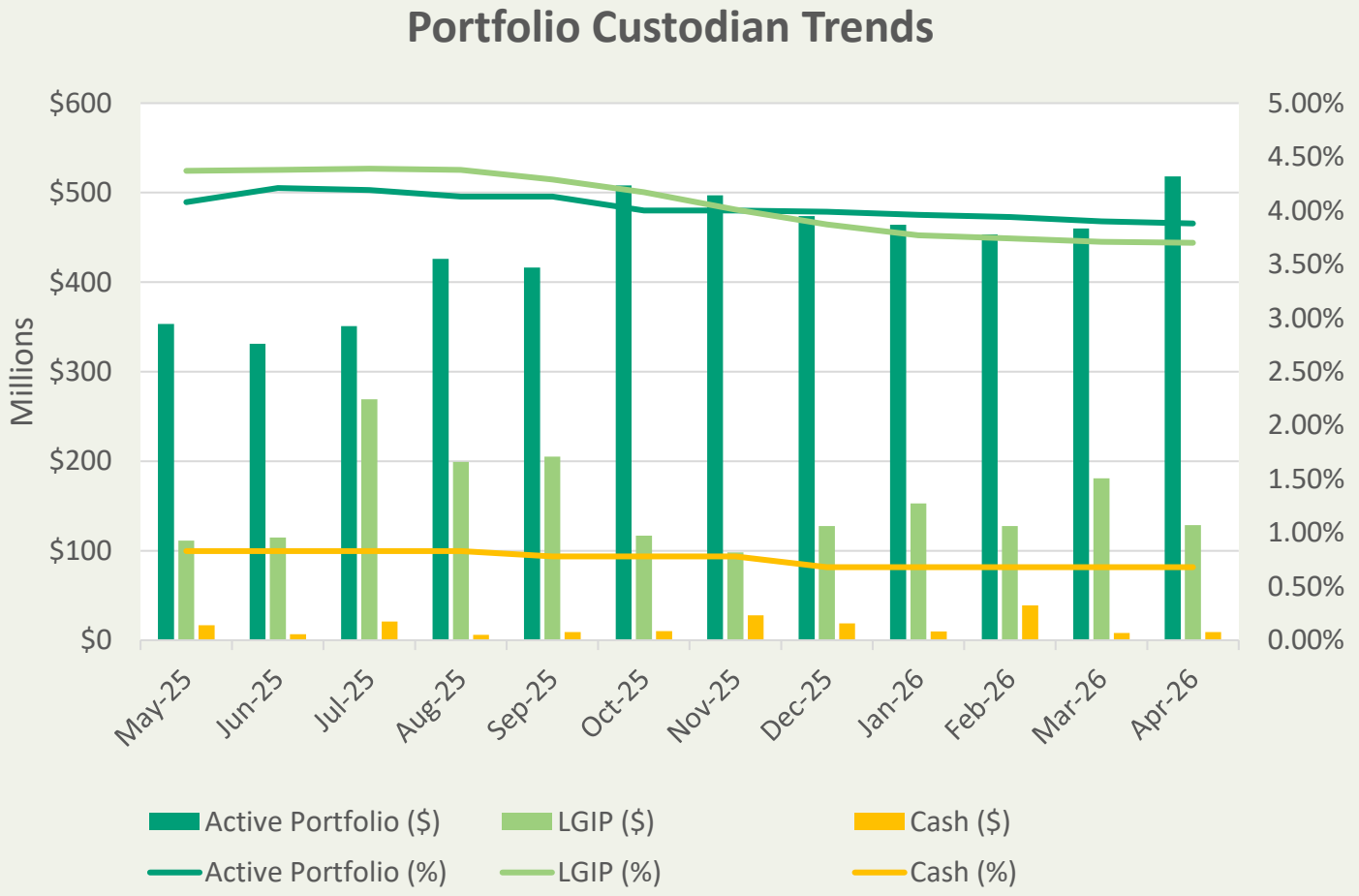
Portfolio Composition

- Portfolio is highly concentrated in low-risk, highly liquid instruments.
- Investments are diversified across high-credit-quality issuers, security types, and maturities.
- Current allocation reflects deliberate positioning toward safety and liquidity over yield maximization.



Portfolio Positioning

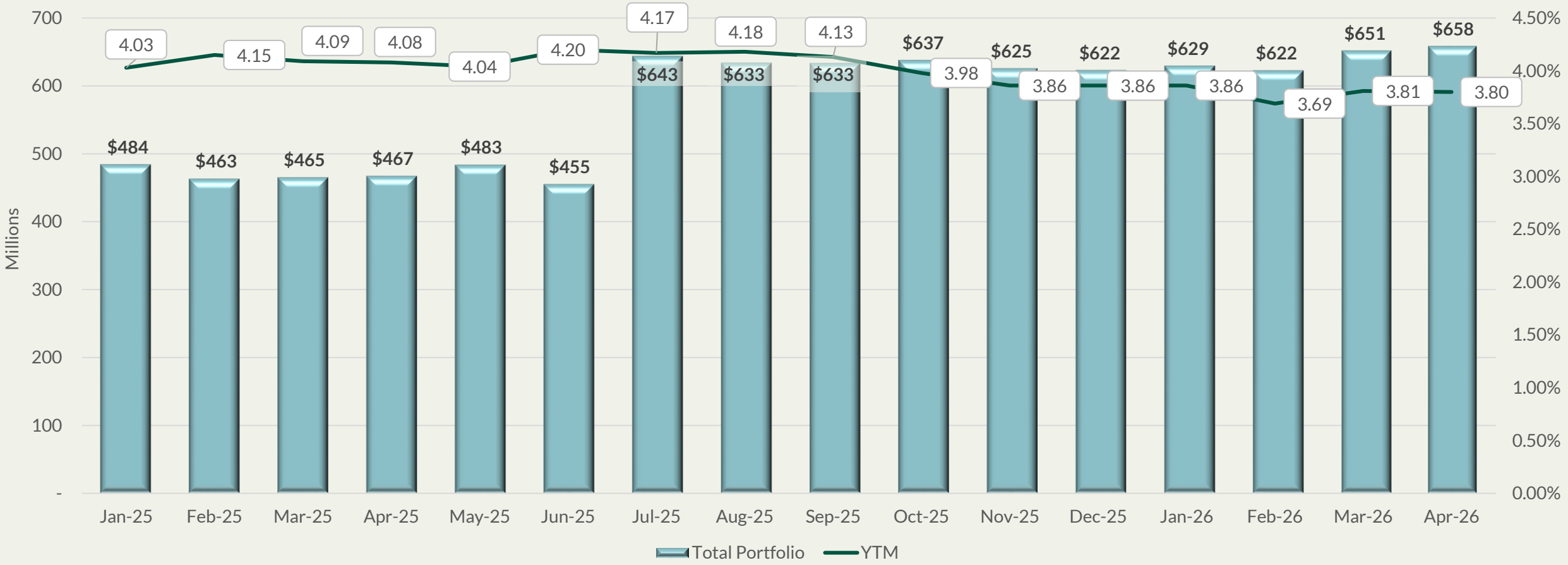




*Local Government Investment Pool - LGIP

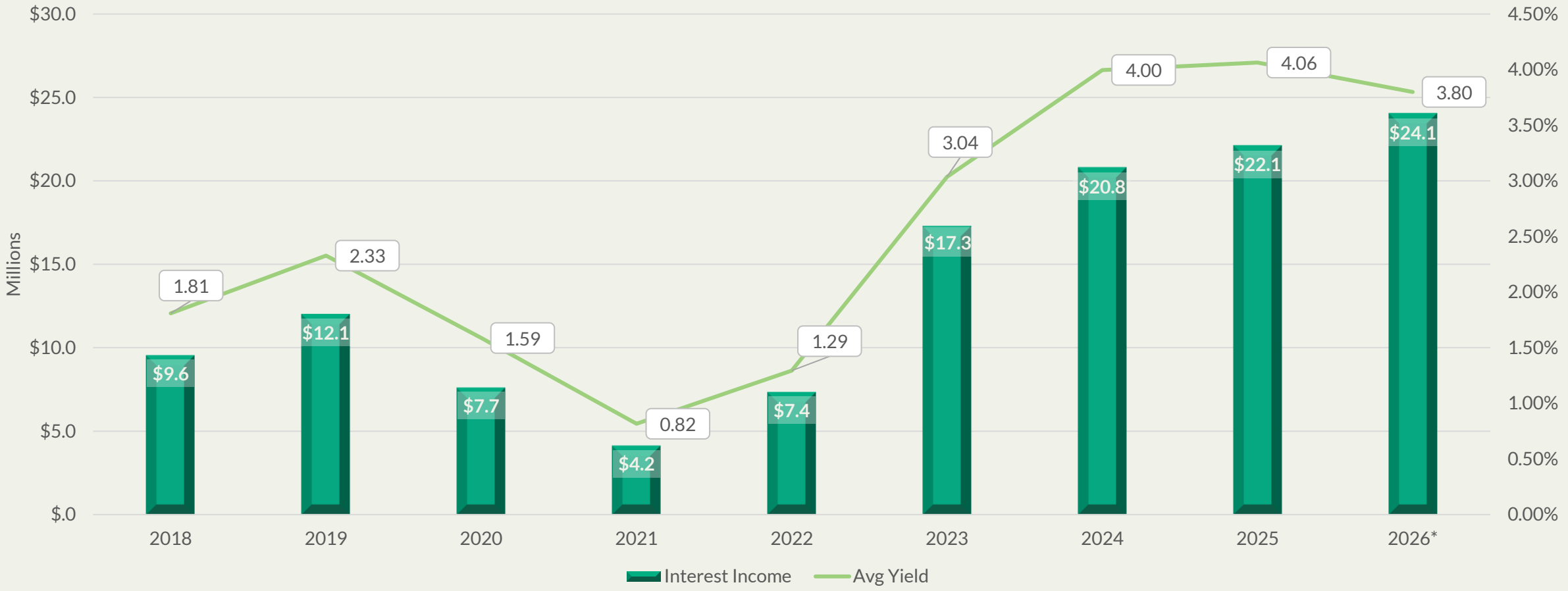
Monthly Investment Balance & Returns

Balances remain elevated due to construction bond project funds while yields gradually normalize from prior highs.



Annual Interest Income Trends

Interest income remains strong relative to prior years, even as portfolio yield moderates.



*2026 forecasted

Financing



Debt Portfolio Overview

- Debt is used as a deliberate financing tool to support long-term capital investments.
- Strategy focuses on:
  - Maintaining coverage levels.
  - Preserving financial flexibility through steady and modest capital asset leverage.
  - Minimizing volatility in customer rates while allowing capital projects to move forward on schedule.

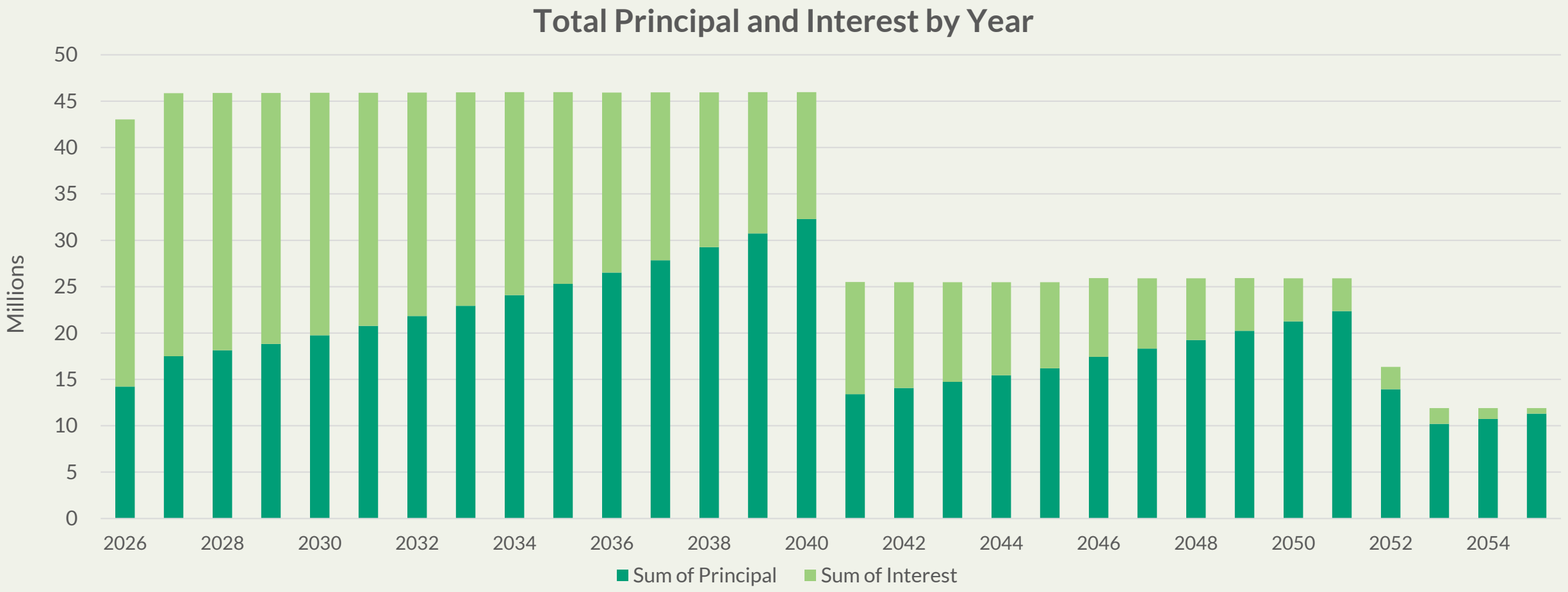
*Data as of December 31, 2025.

As of December 31, 2025

Electric + Generation	Water
Outstanding Debt $589M	Outstanding Debt $21M
Average Rate 3.39%	Average Rate 3.65%
Next Call Date 2031	Next Call Date 2033
Debt Service Coverage 6.6x	Debt Service Coverage 4.0x
Capital Asset Leverage 20.5%	Capital Asset Leverage 12.4%

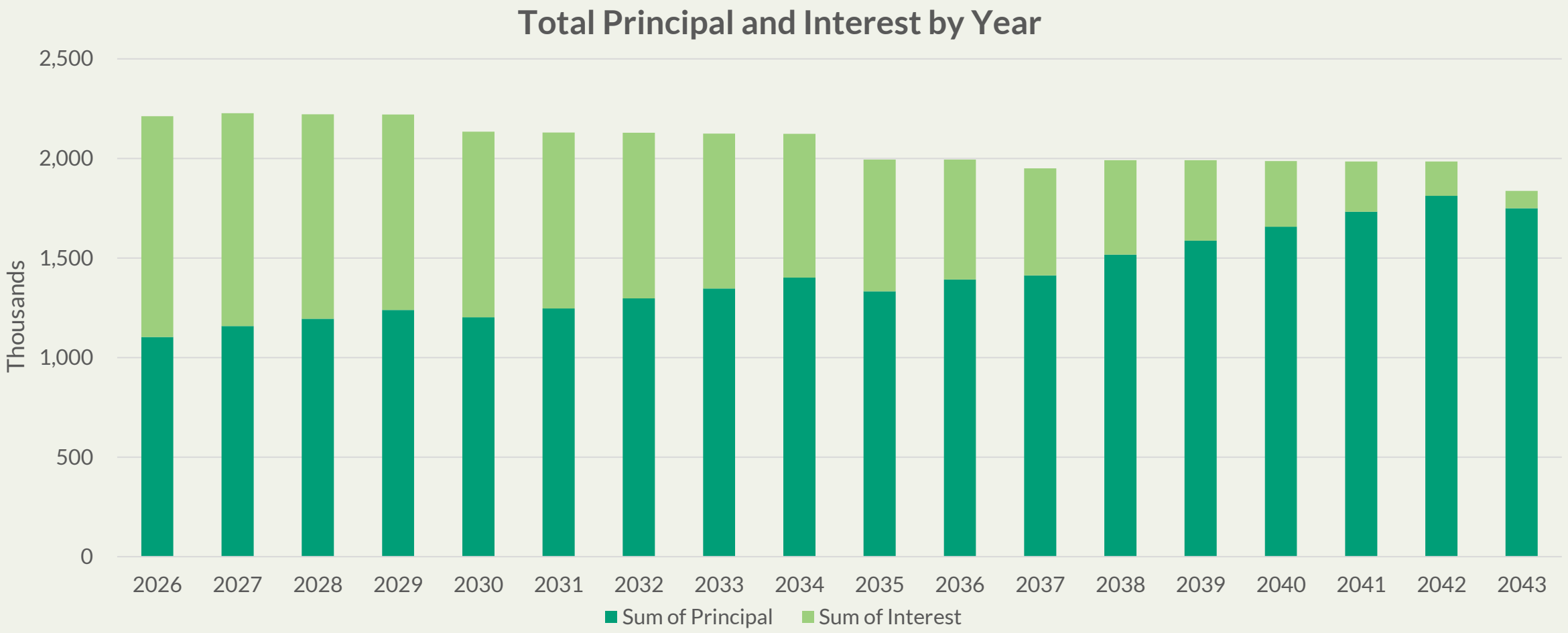
Debt Service Profile – Electric + Generation

Debt service remains stable in the near term with capacity on the back end, providing flexibility to support future financing needs without creating abrupt rate pressure.



Debt Service Profile - Water

Debt service remains modest and manageable over time, supporting financial flexibility as capital investment needs evolve.



Bond Proceeds and Capital Funding

- Bond proceeds are issued strategically to fund significant capital projects over time.
- Construction funds are supporting major electric and water capital work already underway, with drawdown paced to project eligibility and timing:
  - ELC 2025A construction fund - $185M issued.
  - WAT 2023A construction fund - $18M issued.
- Treasury actively monitors:
  - Rate of drawdown and alignment with project schedules.
  - Opportunities to optimize use of proceeds vs other funding sources.
  - Overall compliance with IRS laws and bond agreements.

*Electric – ELC
*Water - WAT

Integrated Outlook & Next Steps

Liquidity outlook:

- Expected to remain within policy targets.
- Sensitive to capital spending timing and reimbursement cadence.

Investment outlook:

- Earnings dependent on interest rate environment.
- Potential variability as reinvestment occurs at current market rates.

Debt funding outlook:

- Continued use of bond proceeds to fund ongoing projects.
- Future financing decisions dependent on capital program timing.

Primary risks being monitored:

- Reserve trajectory relative to policy thresholds.
- Timing mismatch between capital spending and available cash.
- Interest rate uncertainty and market volatility.

Next Steps:

- Confirm reporting cadence – proposed semi-annual.



Thank you!

Questions?

Appendix

Reserve Structure

Electric System

Operating Reserves
- Revenue Fund

Contingency Reserves
- Rate Stabilization Fund
- Self-Insurance Reserve

Benefits Reserves
- Post Employment Benefit Fund
- Retiree Health Reimbursement Arrangement Fund

Project Reserves
- Bond Construction Funds (multiple)
- Hat Island Fund
- Customer Deposit Fund
- Clean Fuels Program Fund

Sinking Reserves
- Bond Principal and Interest Sinking Funds (multiple)
- Privilege Tax Fund

Bond Debt Service Reserves
- Bond Debt Service Reserve Funds (multiple)



Reserve Structure

Generation System

Operating Reserves

- Revenue Funds (multiple)

Project Reserves

- Bond Construction Funds (multiple, inactive)
- Jackson Fish Habitat Fund
- Jackson License Commission Fund

Sinking Reserves

- Bond Principal and Interest Sinking Funds (multiple)



Overview of Existing Reserves

Water System

Operating Reserves

- Revenue Fund

Contingency Reserves

- Rate Stabilization Fund

Project Reserves

- Bond Construction Funds
- General Facility Charge Fund
- Lake Roesiger Septic Fund
- Warm Beach Fund

Sinking Reserves

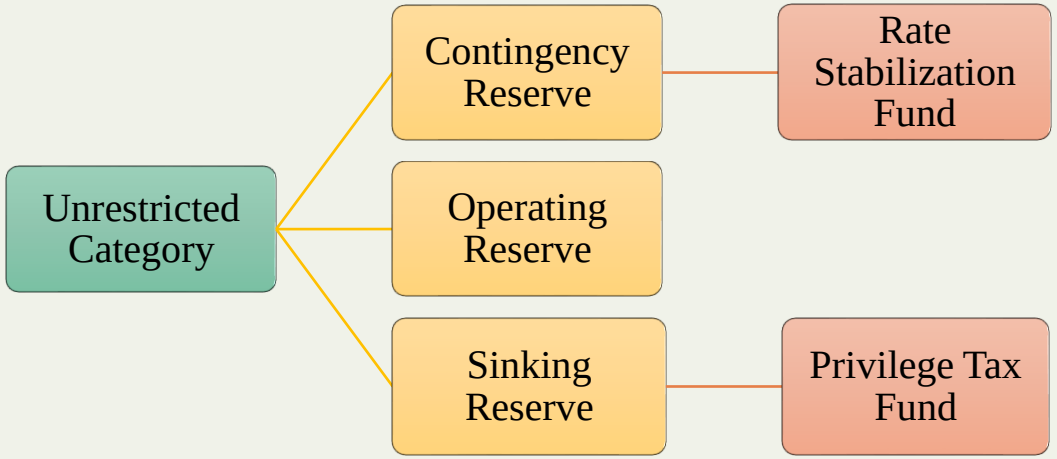
- Bond Principal and Interest Sinking Funds (multiple)
- State Loan Sinking Funds (multiple)

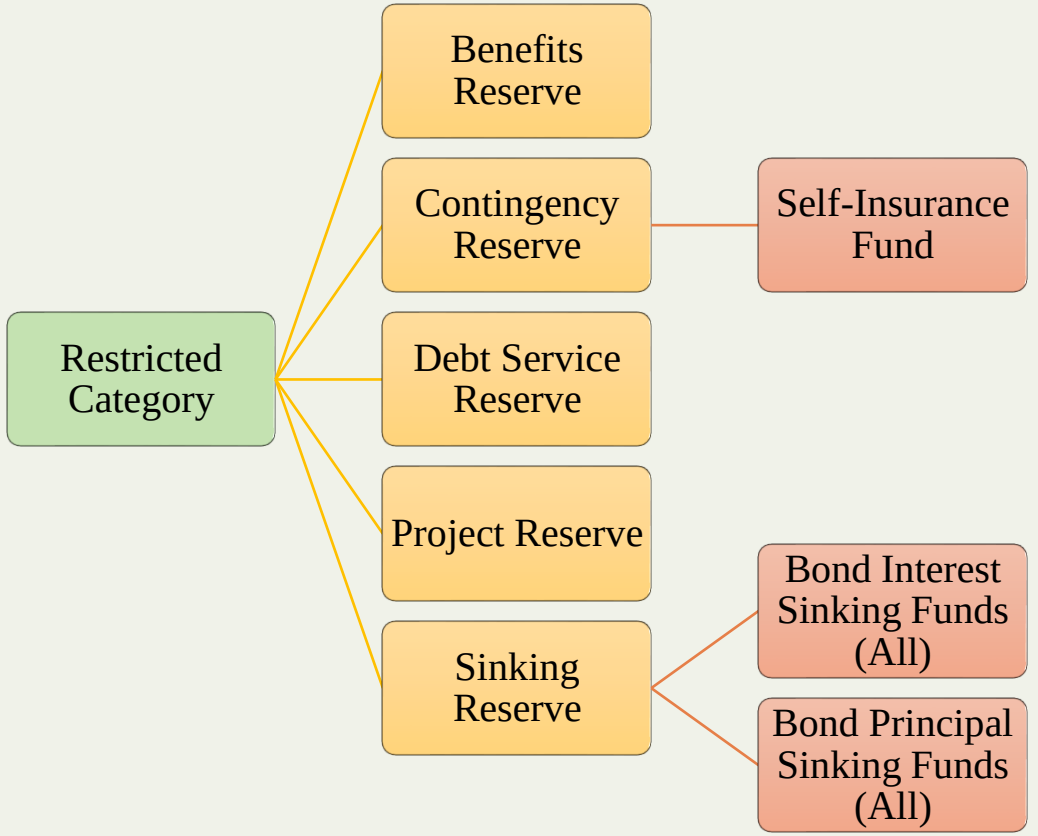
Bond Debt Service Reserves

- Bond Debt Service Reserve Funds (multiple)



Unrestricted and Restricted Categories





Investment Policy Compliance Requirements

Area	Requirement / Guardrail
Primary Objectives	Investments prioritize legality, safety of principal, liquidity, and market-rate return (in that order).
Legal Compliance	All investments must comply with Washington State statutes governing public funds.
Prudent Standard	Managed under a fiduciary "prudent person" standard, avoiding speculation.
Authorized Investments	Limited to high-quality, permitted instruments (U.S. Treasuries, agencies, municipal bonds, Local Government Investment Pool (LGIP), qualified deposits).
Liquidity Requirements	Portfolio must remain sufficiently liquid to meet operational and cash flow needs.
Maturity Limits	Individual securities generally limited to ≤ 5 years; total portfolio maturity kept conservative under 3 years.
Governance	Investment Review Committee provides ongoing monitoring, strategy review, and compliance oversight.
Reporting	Treasury provides regular reporting, including performance, holdings, and compliance status.

Investment Policy Diversification and Risk Limits

Category	Key Limits (Summary)
U.S. Treasuries / Agencies	Up to 100% of portfolio; ≤ 50% per single agency issuer
Municipal Bonds	Up to 20% total; ≤ 5% per issuer
Commercial Paper	Up to 10% total; ≤ 3% per issuer; high credit quality required
Bankers' Acceptances	Up to 25% total; ≤ 5% per issuer; short-term instruments
Supranational Securities	Up to 10% total; ≤ 5% per issuer
Certificates of Deposit	Up to 25% total
Bank Deposits (Public Deposit Protection Commission Approved)	Up to 50% total
LGIP (State Pool)	Up to 100% allowable
Callable Securities	Limited to ≤ 20% of portfolio to manage interest rate risk
Overall Approach	Diversified across issuer, type, and maturity to reduce concentration risk

Tax-Exempt Bond Compliance – Financial Covenants

Area	Requirement / Guardrail
Security Structure	Bonds are payable from system revenues.
Coverage Requirement	Rates must be set to generate sufficient revenue to maintain at least 1.25x debt service coverage (bond resolution) and target 1.75x at the end of each year under Board policy.
Recordkeeping	Must retain documentation supporting spending, compliance, and investment activity.
Ongoing Compliance Monitoring	Bond-funded projects and compliance requirements must be actively monitored and documented over the life of the bonds.

Tax-Exempt Bond Compliance – Tax (IRS) Requirements

Area	Requirement / Guardrail
Tax-Exempt Status	Bonds must maintain tax-exempt status under federal law.
Use of Proceeds	Proceeds must be used for eligible capital or debt refunding purposes only.
Private Use Limits	Private or business use of bond financed assets generally limited to ≤ 10%.
Arbitrage Restrictions	Investment earnings on debt proceeds are limited; excess may require payments to the IRS.
Spending Requirements	Proceeds must be spent within defined multi-year IRS timelines (3 years without restriction, 5 years with restriction).

Tax-Exempt Bond Compliance - Disclosure Requirements

Area	Requirement / Guardrail
Ongoing Disclosure	Annual financial information must be filed with investors.
Material Events	Must report key events (e.g., rating changes, defaults, tax matters) within required timelines.
Transparency	Disclosure supports investor access, pricing, and market credibility.

SNOHOMISH PUD

Energizing Life In Our Communities

Decorative Wraps on District Equipment

Tyler Reinitz – Principal Engineer

June 9, 2026

Previous Presentation: October 4, 2021

Overview

- History
- Summary of Decorative Wrap Pilot Program
- What has Changed
- Benefits to the Customer
- Benefits to the District
- Questions



History

- District has allowed for pad-mounted equipment to be repainted a single color for many years. We have occasionally allowed screening.
- Vinyl wrapping had previously been a prohibited method of beautifying equipment and is now a more widely accepted method of altering equipment appearance.
- District started a Pilot Program in 2021 and has allowed wrapped equipment at 5 different sites.



Local Example: Reserve at Lynnwood



Local Example: Library Place, Everett





Local Example: Amazon at Smokey Point

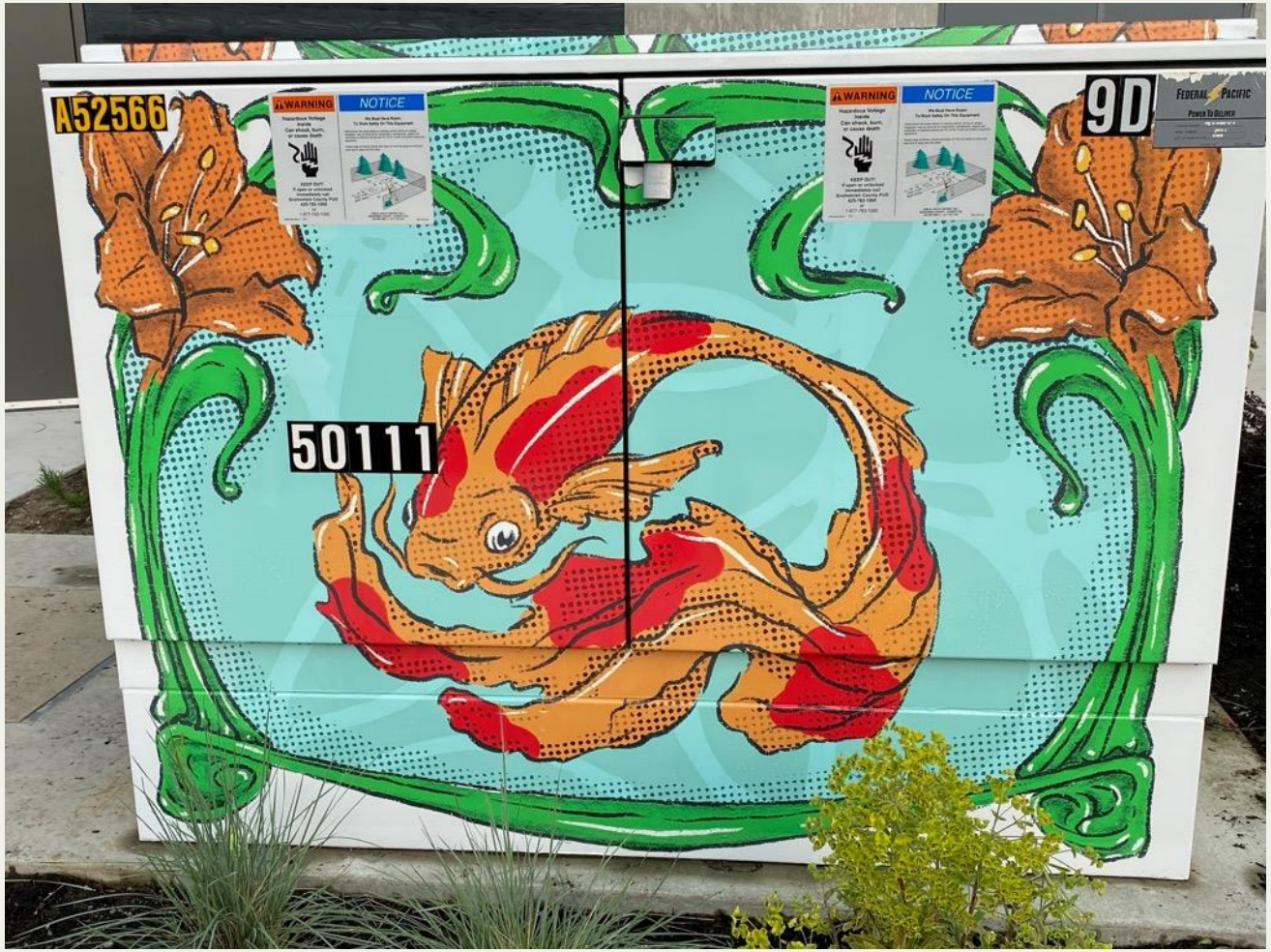




Local Example: MLT Transit Station



Local Example: Hazel Apartments, Edmonds



Local Example: Anthology of Edmonds



Summary of Decorative Wrap Program

- Customers may apply to have certain pad-mounted equipment approved for decorative vinyl wrap.
- Customer is responsible for cost of installation, future maintenance and replacement of the wraps.
- District may replace equipment at any time.
- District Guidelines for content.
- Internal team review of applications.
- Vendor/Installer approval process.
- Not available for individual residential transformers/equipment.



Benefits to the District

- Changing development standards and municipal zoning is making our equipment more visible than ever.
- We are getting more requests to “hide” or improve the visual aesthetics of District equipment.
- District team considers the risks and benefits through research of industry criteria and standards, and growing customer preferences.
- Materials have greatly improved over the years and are now preferred over paint.
- Others within the industry are allowing it with great success stories:
  - SMUD.
  - PSE – “Artility” program.
  - BC Hydro.

Benefits to the District (continued)

- Proven to discourage graffiti while promoting public artwork and natural landscapes.
- Allowing for wraps and removing the allowance for decorative enclosures is safer for our field workers.
- Installation process is better for the equipment than paint – no harsh prep products/processes that can compromise the factory coating on the equipment.
- Gives the District an option to proactively extend to customers when we need to place our equipment in visible, high-traffic places.
- Provides opportunities for the District to collaborate with the communities which we serve.



Benefits to the Customer

- Engineered product that has been reviewed by District Standards department.
- Vendor/Installer approval process will ensure the customer is getting a quality product that should last long term.
- Provides a clear and easy process for applying to wrap the equipment.
- Easier to change the artwork periodically - wrap can be removed and replaced with a new one much easier than a repaint.

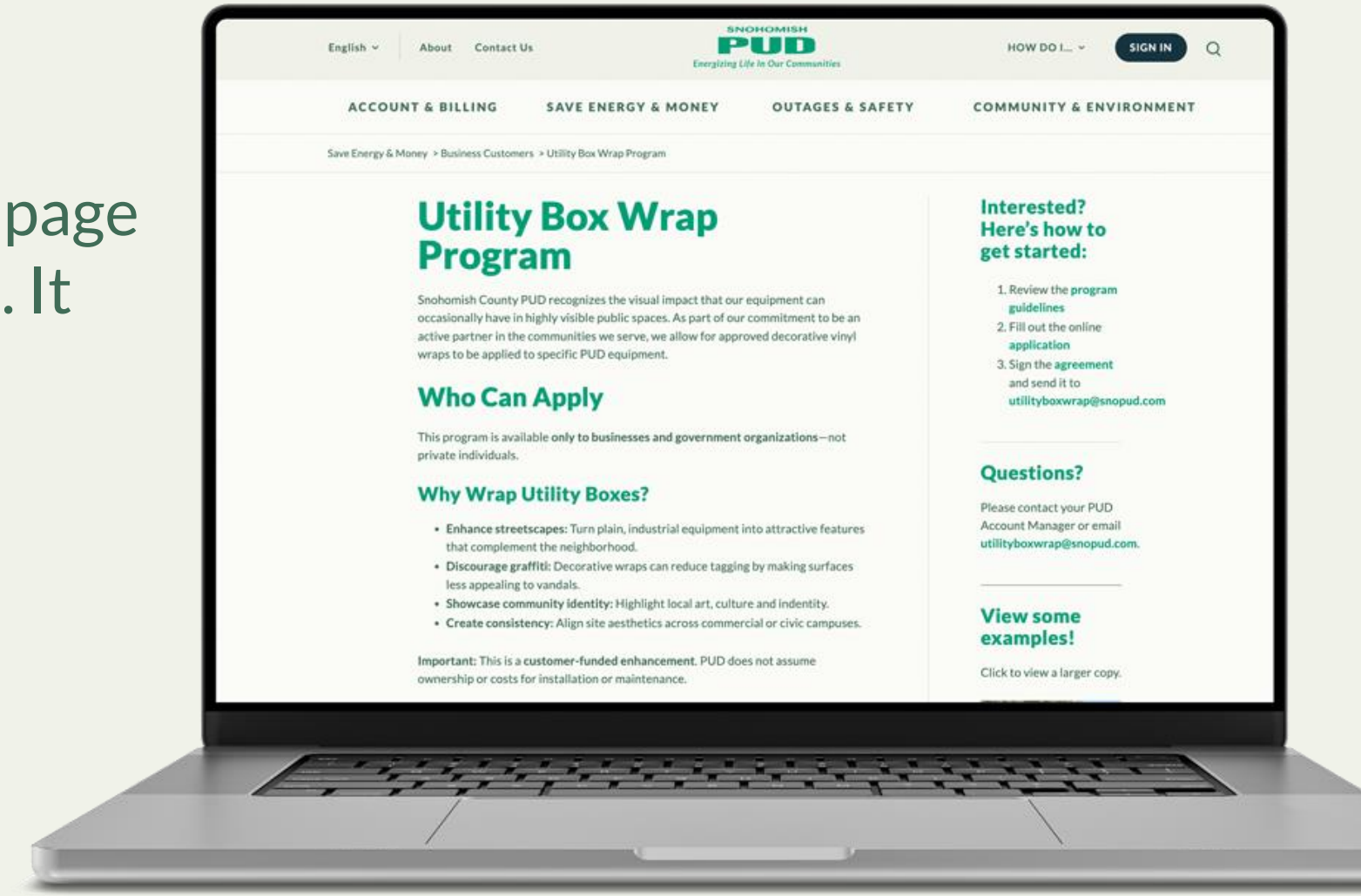


Safety Considerations

- Equipment is manufactured in a manner that does not allow for anything to be inserted into energized compartments:
  - Institute of Electrical and Electronics Engineers (IEEE) Standard for Enclosure Integrity of Pad-Mounted Equipment-ANSI C57.12.28-2014.
- Wrapping has no means to compromise the electrical safety of the equipment.
- All required safety and identification decals will be placed over the top of the wraps after application:
  - Standard for Safety Labels on Pad-Mounted Switchgear and Transformers Sited in Public Areas – NEMA 260-1996 (R2004).
- District reserves the right to have customer remove wrap if any issues are encountered.

Looking ahead

- If approved to move forward, Snopud.com page will be made available. It features:
  - Program benefits.
  - Program documents & requirements.
  - FAQs.
  - Sample photos.
  - Contact information.



Questions?



SNOHOMISH PUD

Energizing Life In Our Communities

New Large Load/ Data Center Principles

June 9, 2026

Angela Johnston

Senior Manager, Financing, Risk Mgt and Supply Chain | Treasurer



Agenda

Today's Purpose:
Review proposed New Large Load/Data Center guiding principles.

This presentation is to determine if New Large Load/Data Center guiding principles, as proposed, should be adopted by the Board of Commissioners.



PUD is a Customer Owned, not-for-profit utility

It is owned by the public and operates for the public benefit, not shareholders, for the purpose of providing publicly owned electric and water utility service to the residents of Snohomish County and Camano Island.

Principle Focus

New Large Load/Data Center guiding principles provide a singular foundation for broader conversations.



Customers That Typically Need Larger Loads

- Water and wastewater systems
- Large housing developments
- Transit and transportation systems
- Airports and public facilities

Public Infrastructure



- Lumber and wood products
- Prefabrication and modular construction
- Cement and concrete production

Building Materials & Housing Supply Chain



- Warehousing and distribution centers
- Ports and intermodal facilities
- Electrified fleet and charging hubs

Transportation & Logistics



- Semiconductor manufacturing
- EV and battery production
- Advanced industrial processes

Advanced Manufacturing & Technology



- Pulp and paper mills
- Metals and chemical production
- Other energy-intensive industrial operations

Heavy Industrial & Process Manufacturing

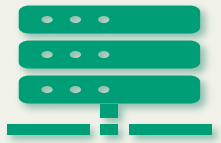


- Hyperscale and colocation data centers
- Telecommunications infrastructure
- Cryptocurrency mining operations

Data & Digital Infrastructure



What is a Data Center



A facility that houses computer servers and networking equipment used to store, process, and distribute digital information.

Enterprise / Small Data Centers	Colocation Data Centers	Hyperscale Data Centers
• Local businesses running and managing operations - Healthcare systems, local businesses, government	• Regional businesses hosting IT systems - professional services, retail companies, manufacturers, mid-sized companies	• Cloud platforms supporting streaming services - cloud providers, AI workloads, large-scale data storage

Principle 1 – Safety, Reliability And System Readiness



Committed to safety, reliability and system readiness

Must demonstrate system and supply capacity (resource adequacy)





The PUD uses phased process with clear decision points to manage execution risk

Principle 2 – Customer Affordability



Committed to preserving affordability and rate stability

Must ensure payment for full incremental costs they drive





The PUD uses upfront cost responsibility

Principle 3 –Consideration Of Community Impacts



Committed to supporting growth guided by community priorities

Must evaluate electric and water service needs and system impacts





The PUD coordinates closely without committing resources beyond its authorized role

Principle 4 – A Trusted Partner In Economic Vitality



Committed to supporting the economic development in Snohomish County and Camano Island

Must serve growth responsibly, equitably, and without shifting costs





The PUD uses a framework - reliability, full cost recovery, transparency, and fairness

Principle 5 – Transparent Evaluation



Committed to using criteria that is publicly available

Must deliver essential electric and water services





The PUD criteria includes impacts to reliability, rates, public interest, and accountability

Principle 6 – Power And Water Supply



Committed to evaluating the availability of power and water supply

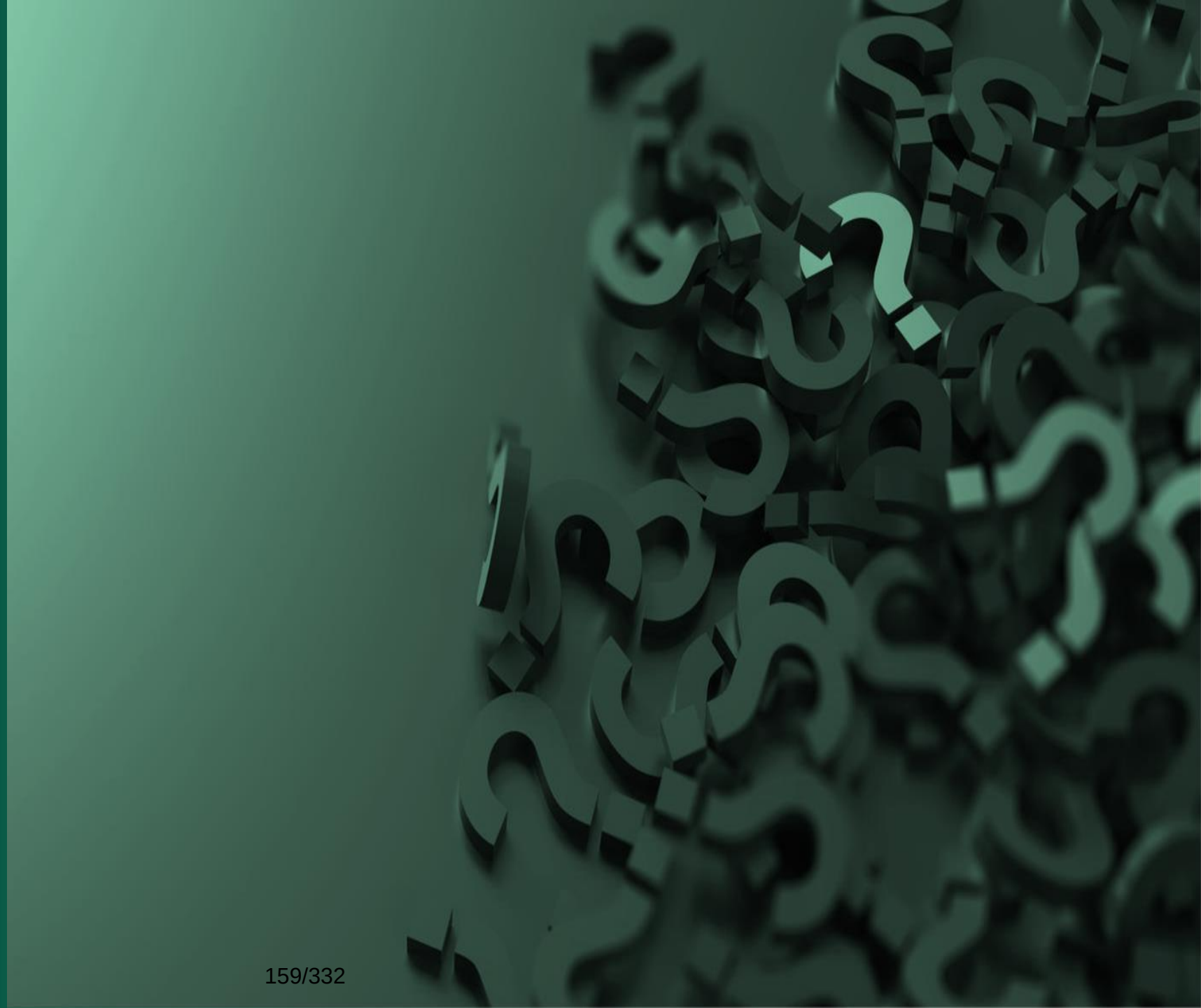
Must have access to power and water supply to provide service





The PUD evaluates consistently to support transparent and equitable outcomes

Questions?



New Large Load/Data Center Principles

The Board of Commissioners adopted Principles provide a singular foundation for broader conversations about new large loads/data centers. The intent is to create a framework for a unified District strategy coordinating our policies and standards with a commitment to maintaining affordability and reliability for our existing customers while supporting the economic vitality of the communities we serve.

New Large Loads/Data Centers

As a customer-owned public utility, the PUD supports economic vitality by providing safe, reliable, and affordable power, while protecting existing customers. New large load/data center customers – those customers with very high electricity demand, such as data center or large industrial facilities – are evaluated and served using transparent, policy-based criteria that ensure growth pays for growth, system reliability is maintained, and community outcomes are aligned with the PUD's public purpose. This includes delivering essential electric and water services in a manner that maintains system reliability, ensures fair, equitable and affordable rates, safeguards public and customer-owner interests, and supports long-term community and regional stability within the PUD's statutory public-power and water role.

The following principles guide the PUD in developing policies and standards needed to properly evaluate new large load/data center service requests:

- **Safety, Reliability and System Readiness –** We are committed to delivering safe, reliable and affordable utility services that support predictable household utility costs, business continuity, and long-term community resilience. Service to new large loads/data centers is conditioned on demonstrated system and supply capacity often referred to as resource adequacy, meaning having enough power available to always meet demand and the PUD's ability to maintain safe and reliable operations. The PUD may use phased service, milestones, and step-by-step service with checkpoints and the ability to pause or stop if conditions change to manage execution risk.

- **Customers Affordability –** We are committed to preserving affordability and rate stability by protecting existing customers from cost-shifting. In simple terms, this means new large load/data center customers must pay for additional costs they create, rather than those costs being shared by existing customers. New large load/data center customers are responsible for the full, incremental costs they drive, including generation/power supply, transmission, distribution, system upgrades, studies, and ongoing impacts. Cost responsibility is addressed up front through application fees, studies, line extensions, and contract structures.

- **Consideration of Community Impacts –** We are committed to considering how growth interacts with community priorities such as resiliency, long-term planning, and infrastructure coordination. We work in partnership with local governments to support community outcomes. Our role is to evaluate electric and water service needs and system impacts to ensure reliable, safe, and affordable service that can support community development. We coordinate closely and transparently with local governments and partners, without committing PUD resources beyond the PUD's authorized role as a public electric and water utility.

- **A Trusted Partner in Economic Vitality –** We are committed to partnering with the Economic Alliance of Snohomish County (a regional development organization) and other local governments and community agencies to support economic development in Snohomish County and Camano Island. Our role as a customer-owned public utility is to ensure that when growth occurs, it can be served responsibly, equitably, and without shifting costs to existing customers. New large load/data center requests are considered within this framework: reliability first, full cost recovery, transparency, and fairness.

- **Transparent Evaluation –** We are committed to evaluating new large load/data center requests using criteria that is publicly available. These criteria are designed to carry out the PUD's public utility obligations. In this context, public utility obligations mean delivering essential electric and water services in a way that: protects system and supply reliability, ensures fair and equitable rates, safeguards customer-owner and public interests, and maintains accountability to our communities.

- **Power and Water Supply –** We are committed to evaluating the availability of wholesale power and water supply. Wholesale power refers to power purchased in bulk from suppliers such as the Bonneville Power Administration (BPA) or purchased through purchase power agreements (PPAs) from an alternative market power supply. Water supply considerations include coordination with partners such as the City of Everett, which supports regional water services. The availability of power and water supply determines when and how new large loads/data centers can be served. These considerations are applied consistently across all customers, supporting transparent and equitable outcomes.

Snohomish County Public Utility District No. 1 (the PUD) was created on November 3, 1936, by a majority vote of the people, for the purpose of providing publicly owned electric and water utility service to the residents of Snohomish County and Camano Island. The PUD is a customer-owned, not-for-profit utility, meaning it is owned by the public and operates for public benefit, not shareholders. The PUD is the 12th largest public utility in the United States and the second largest in Washington state serving more than 385,000 electric customers and nearly 24,000 water customers. The PUD is governed by a three-member Board of Commissioners elected by the public. Commissioners represent separate districts and are elected at-large for staggered six-year terms. The Board is responsible for establishing utility policies, setting rates and charges for services, and providing overall governance of the utility.

DRAFT

SNOHOMISH PUD

Energizing Life In Our Communities

BPA Tier 2 Election Briefing

June 9, 2026

Landon Snyder
Utility Analyst III
Power Supply

Agenda

- Headlines
- Background and Context
- Tier 2 Election Working Group
- Tier 2 Election – The Four Options
- Working Group Evaluation
- Next Steps

This briefing is informational to inform a planned Commission resolution on June 23, 2026



Headlines

All BPA customers must elect the way they plan to serve their loads above their Tier 1 cap in the 2029-2044 BPA Power Contract by July 27, 2026.

Power Supply staff **identified the lowest cost solution** to serving these forecasted loads in the 2025 IRP, which included conservation, clean energy resources, and BPA Short-Term Tier 2.

Power Supply convened a cross-functional team to address qualitative and strategic elements of the Tier 2 election, and **the team identified an additional tool to provide the PUD more load service options to keep costs low.**

This presentation describes the team's findings and recommendation for the Tier 2 Election.

Tier 2 Election Definitions

Load Distinctions

- **Contract High Water Mark (CHWM) and Tier 1 Power:**
  - CHWM is the contractual cap of annual average load that can be served with lowest cost (~$38/MWh) Tier 1 power.
  - The PUD CHWM for the upcoming BPA Provider of Choice (POC) Power contract will be 792.6 aMW.
- **Above Contract High Watermark (ACHWM) Load:**
  - Load that cannot be served by Tier 1 Power and must be served with Flexible Path Resources.
  - The PUD expects to have between 0 to 8 aMW of ACHWM load in the first year of the POC contract.

ACHWM Load Service Options

- **Long-Term Tier 2 (LT T2):**
  - Power associated with BPA's long-term resource procurement process. Expected to exceed $70/MWh in Year 1 of contract.
- **Flexible Path Resources (Flexible):**
  - **Resources that can include:** Short-Term Tier 2, Vintage Tier 2, Utility Acquired Resources.
  - **Short-Term Tier 2:**
    - BPA's short-term market-based energy procurement - currently priced at $70.67/MWh.
  - **Vintage Tier 2:**
    - Power for specific BPA-acquired resources and priced at-cost *(see supplemental slide)*.
  - **Utility Acquired Resources:**
    - New resources owned or contracted by the PUD, priced at acquisition costs.

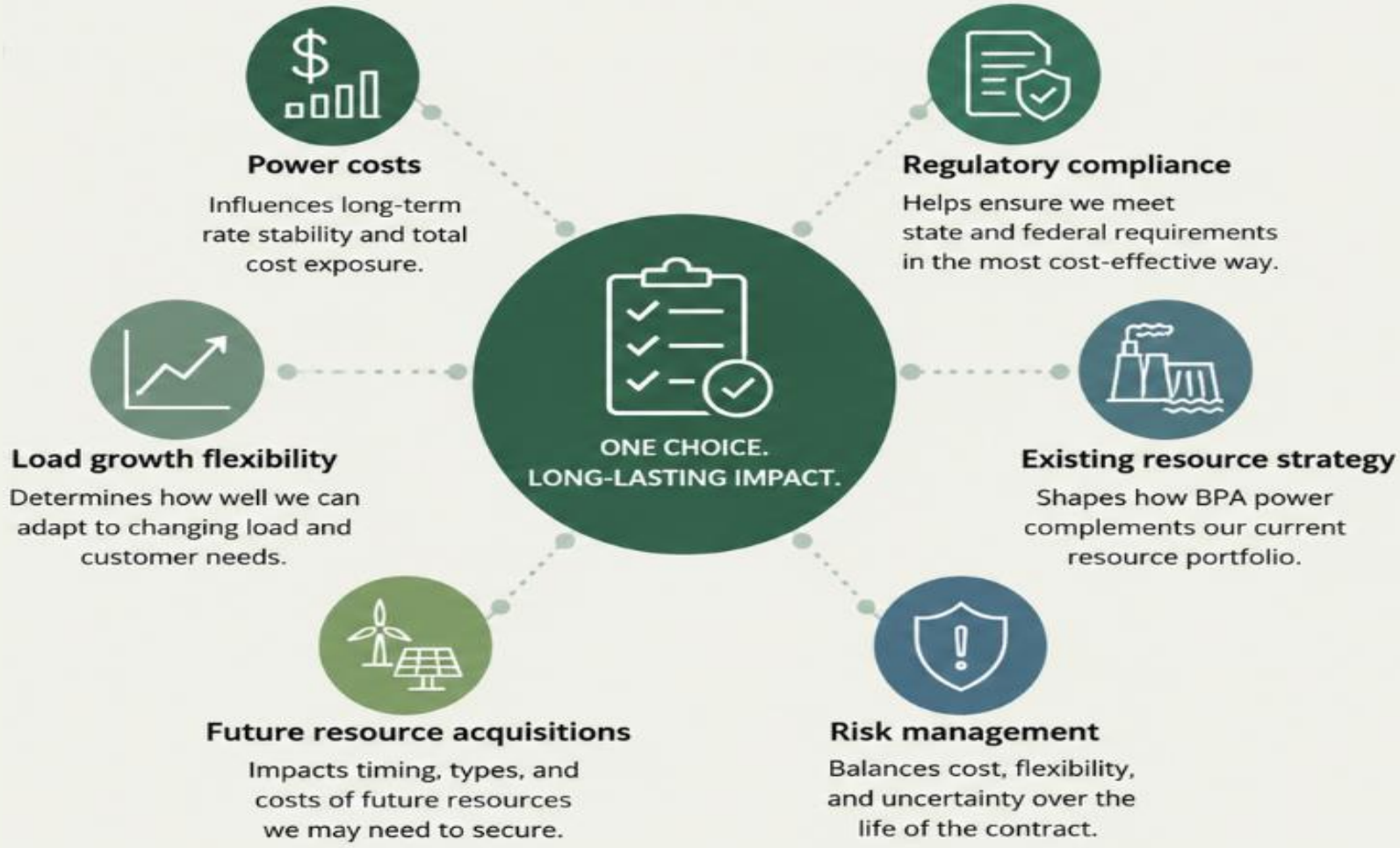
Tier 2 Election

- All BPA customers must submit a Tier 2 Election Option by July 27, 2026.
- BPA customers must elect **one** ACHWM load service Option and, if applicable, specify the cap of load service with that Option.
- The Options are:

Option A: All Long-Term Tier 2.	**Option B:** Up to elected cap of Long-Term Tier 2, then all Flexible.	**Option C:** Up to elected cap of Flexible, then all Long-Term Tier 2.	**Option D:** All Flexible.

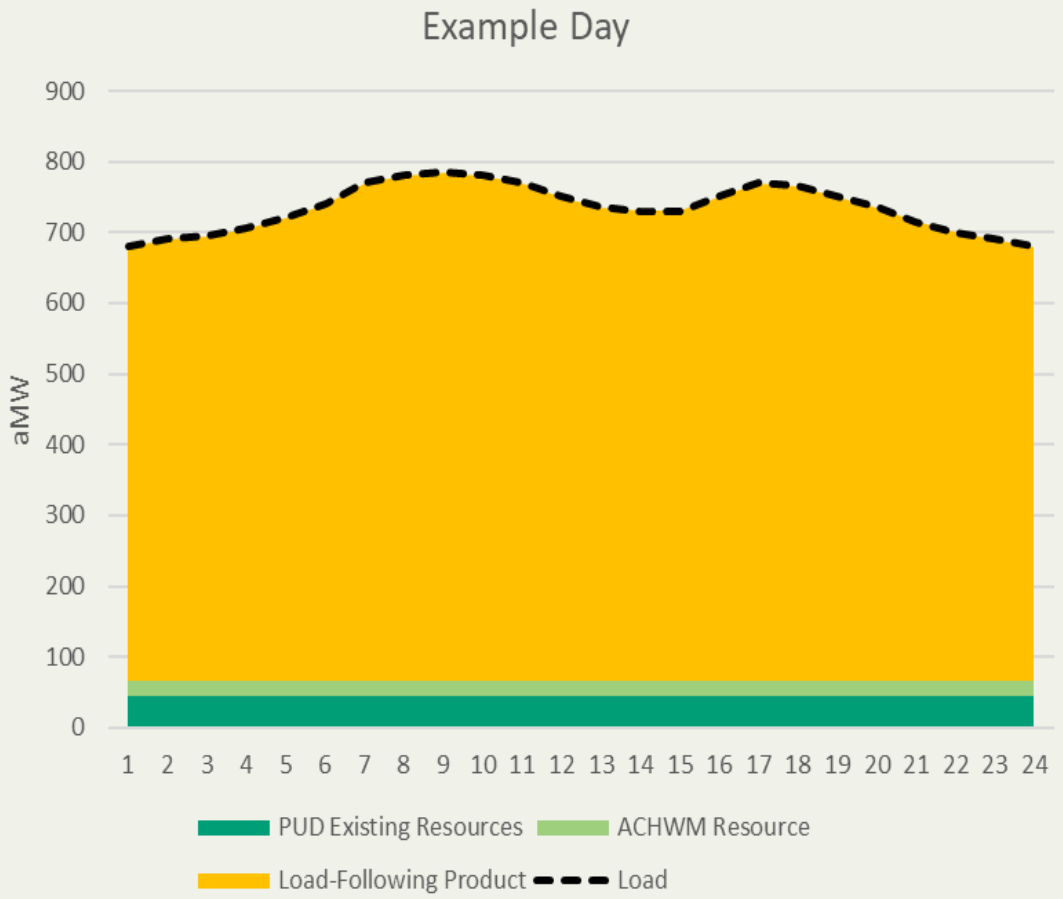
Why This Tier 2 Election Matters

Goal → Lowest costs & risks for our customers.



Tier 2 Election – Load-Following Product

- The PUD switched BPA power products from Block/Slice to **Load Following on October 1, 2025.**
- That transition has resulted in **cost-savings, reduced cost variability, and provided better certainty of power service** for load.
- **All BPA customers must elect a Tier 2 Option**, and that Option complements all Tier 1 BPA power product options.
- ACHWM resources are delivered or contractually rendered through BPA's Resource Support Services (RSS) to be **flat annual aMW generation.**
- As a result, ACHWM resources serve the "bottom" of the BPA resource stack for load-following customers, while **the Load-Following product follows hourly load variation.**



Tier 2 Election Working Group

- The 2025 IRP quantitatively assessed ACHWM load service options.
- In order to further assess qualitative and strategic implications, a cross-departmental working group was established to analyze the Option that best serves the PUD customers.
- This working group included representatives from Power Supply, Rates, Finance, and with review from Legal.



Tier 2 Election – The Four Options

The PUD must select **one** of the **Four Options** to serve ACHWM load.

Option A:
All Long-Term Tier 2.

Option B:
Up to elected cap of Long-Term Tier 2, then all Flexible.

Option C:
Up to elected cap of Flexible, then all Long-Term Tier 2.

Option D:
All Flexible.

NOTE: Options A, B, and C have a one-time right to reduce Long-Term Tier 2 if proper notice is given and with a potential fee associated.

Working Group Evaluation – Options A and B

Options A and B:

- Don’t align with the IRP - IRP finds that taking on LT T2 first is not optimal primarily due to expected cost and regulatory compliance needs.
- LT T2 remains an uncertain product in composition and regulatory value.
- Committing too early to LT T2 limits the PUD’s ability to adapt to changing conditions.
- Committing to LT T2 first further increases portfolio concentration with BPA.
- For these reasons, the Working Group eliminated Options A and B.

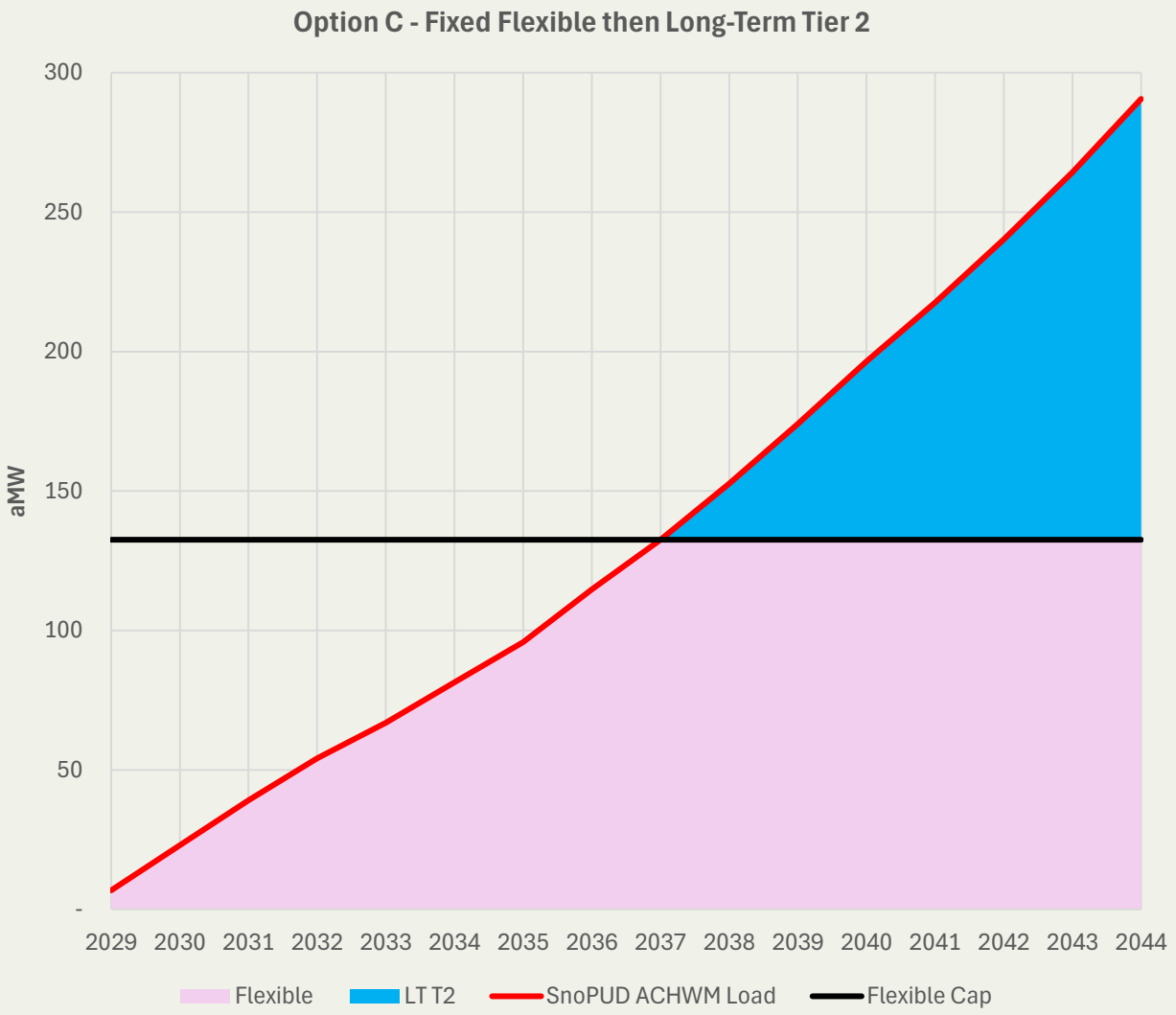
Working Group Evaluation – Options C and D

Options C and D:

- Align with the economic analysis of the 2025 IRP.
- Chart a known and understood path for regulatory compliance.
- Result in more cost exposure diversity and portfolio diversity.
- In the short to mid-term, the strategy between C and D is identical:
  - But in the long-term, Option C preserves access to LT T2 while Option D permanently closes that access.
  - Option C can defer or remove LT T2 from the resource stack via the one-time reduction right.
- For these reasons, the Working Group chose Option C.

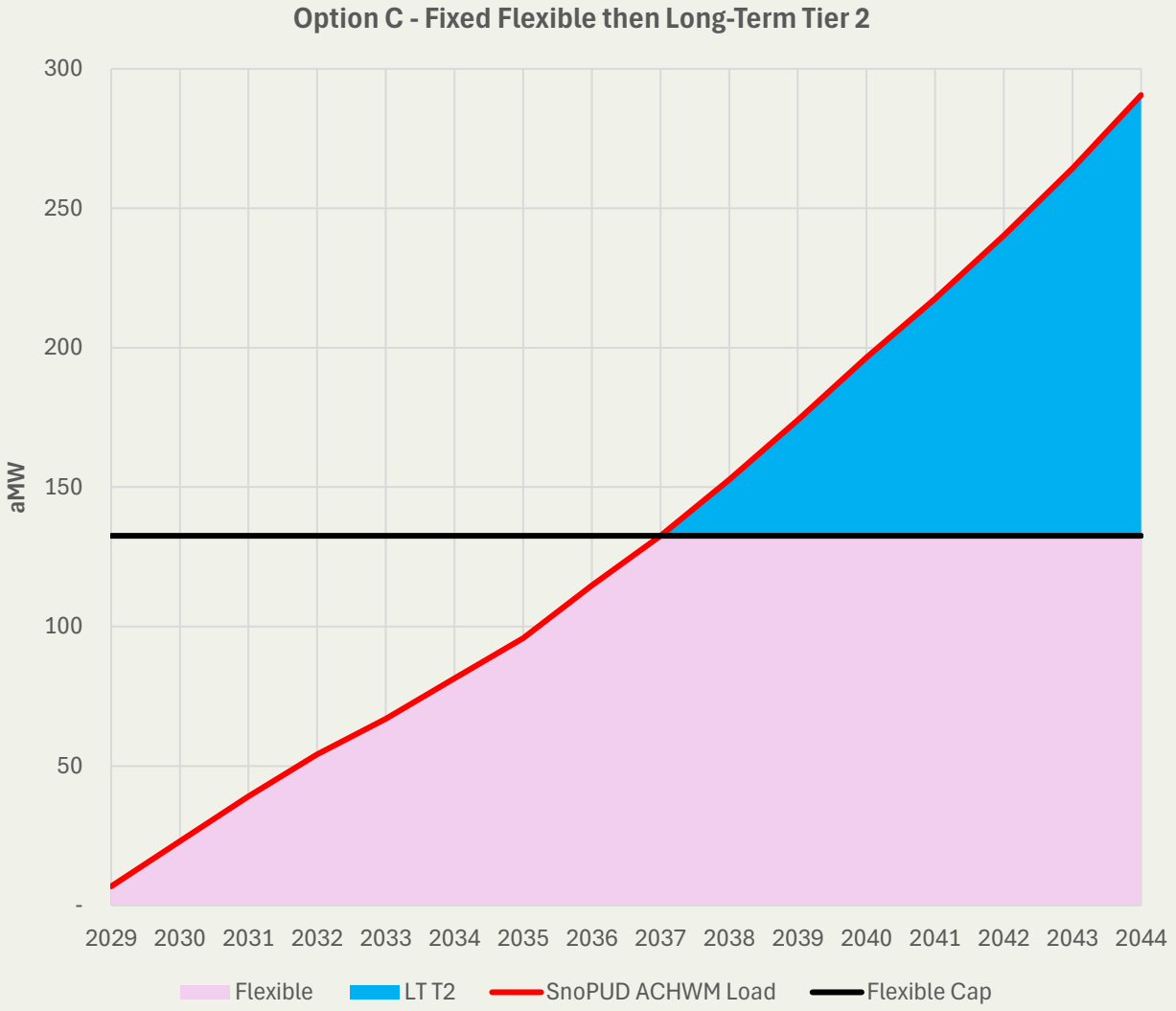
Working Group Evaluation – Option C Part 1

- PUD elects a Fixed Flexible Cap to serve ACHWM load:
  - **Flexible Cap →** Defined in units of aMW.
  - **Flexible Reminder →** made up of any combination of Short-Term Tier 2, Vintage Tier 2, and Utility Acquired Resources.
- After reaching that Flexible cap at some point in the Provider of Choice contract period, any remaining ACHWM load is served with Long-Term Tier 2:
  - **LT T2 Reminder →** BPA has not specified the content which makes up LT T2, but it is generally associated with BPA's long-term resource procurement process.
- **Reduction Right →** PUD has a one-time right to reduce Long-Term Tier 2 with proper notice and with potential for an associated fee:
  - **Notice Period →** 3 years before the rate period in which Long-Term Tier 2 would be serving PUD load.
  - **Fee →** Not defined or guaranteed and would only occur if BPA incurred costs while acquiring resources that can no longer sink to load.



Working Group Evaluation – Option C Part 2

- **Fixed Flexible Cap → 133 aMW:**
  - Coincides with the expected halfway point of our long-term BPA contract.
  - Provides flexibility if load growth materializes slower or faster than projected.
  - Provides approximately 7 years to observe and learn about BPA's Long-Term Tier 2 Resource Program before the PUD needs to consider utilization of the one-time reduction right.



Summary

- **Option C with a 133 aMW election for the Flexible Cap** aligns with the 2025 IRP but provides additional flexibility to PUD and future option to utilize for the purpose of reducing customer costs.
- **PUD staff recommend this Tier 2 election** in order to have the most flexibility and tools to keep customer costs low.



Next Steps

- **June 23, 2026→** Commission resolution to adopt Tier 2 Election Option C with 133 aMW Fixed Flexible Cap.
- **July 27, 2026→** Formally submit selected Tier 2 Election Option to BPA.

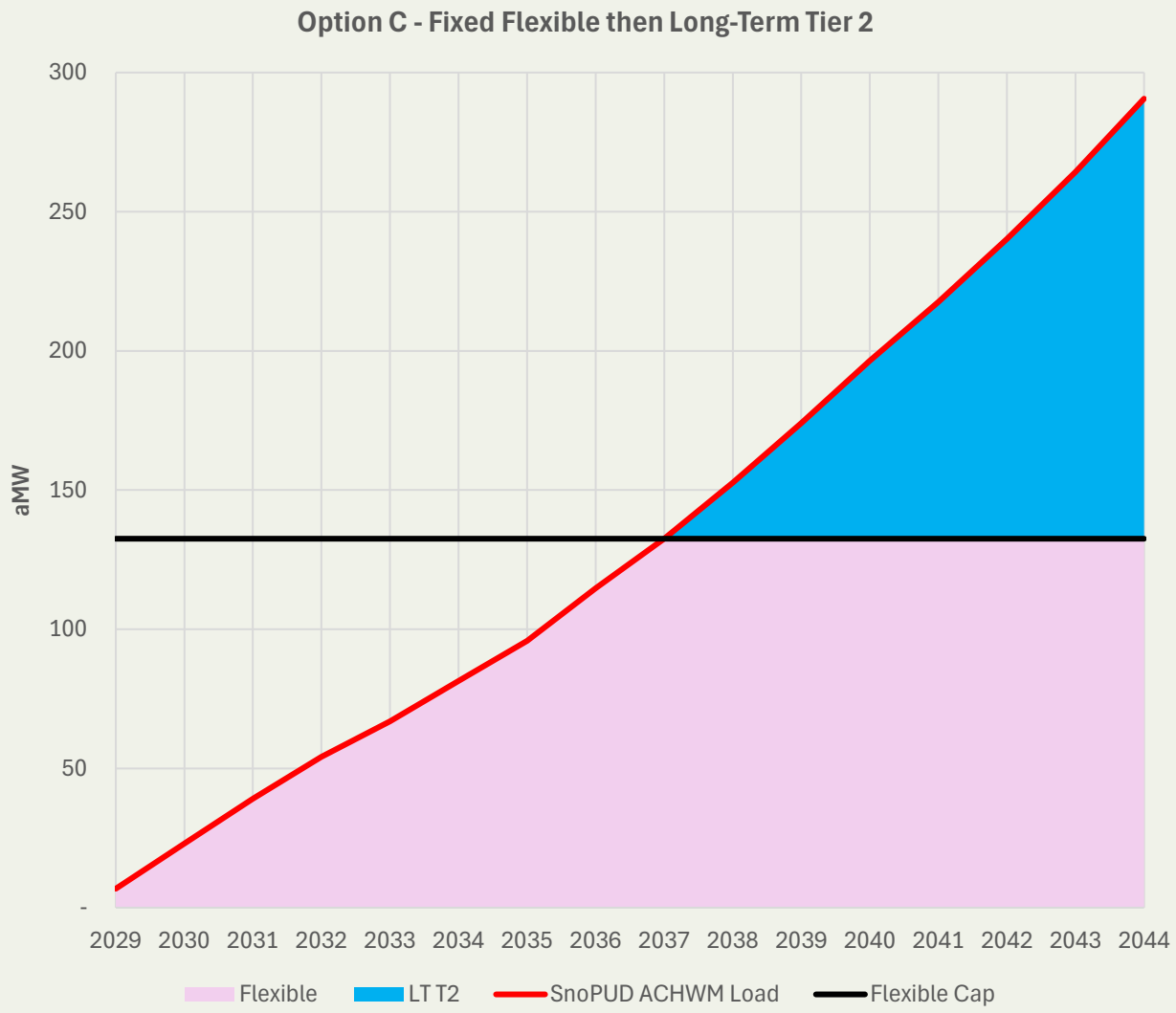
Supplemental Slides

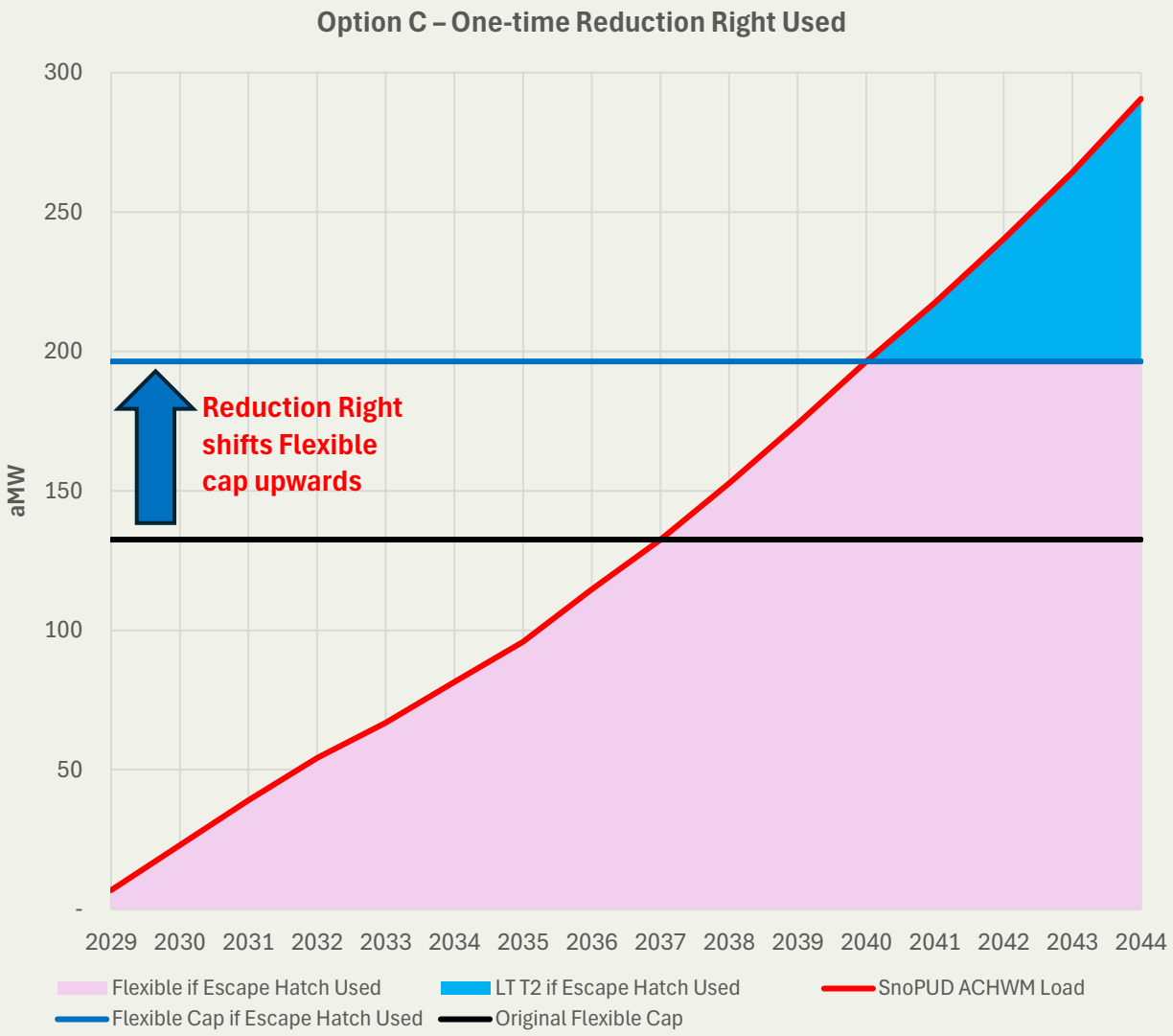
- What is Vintage Tier 2?
- Option C - Reduction Right Graphical Example.
- Flexible Resource Stack as Solved in the 2025 IRP.

Supplemental: What is Vintage Tier 2?

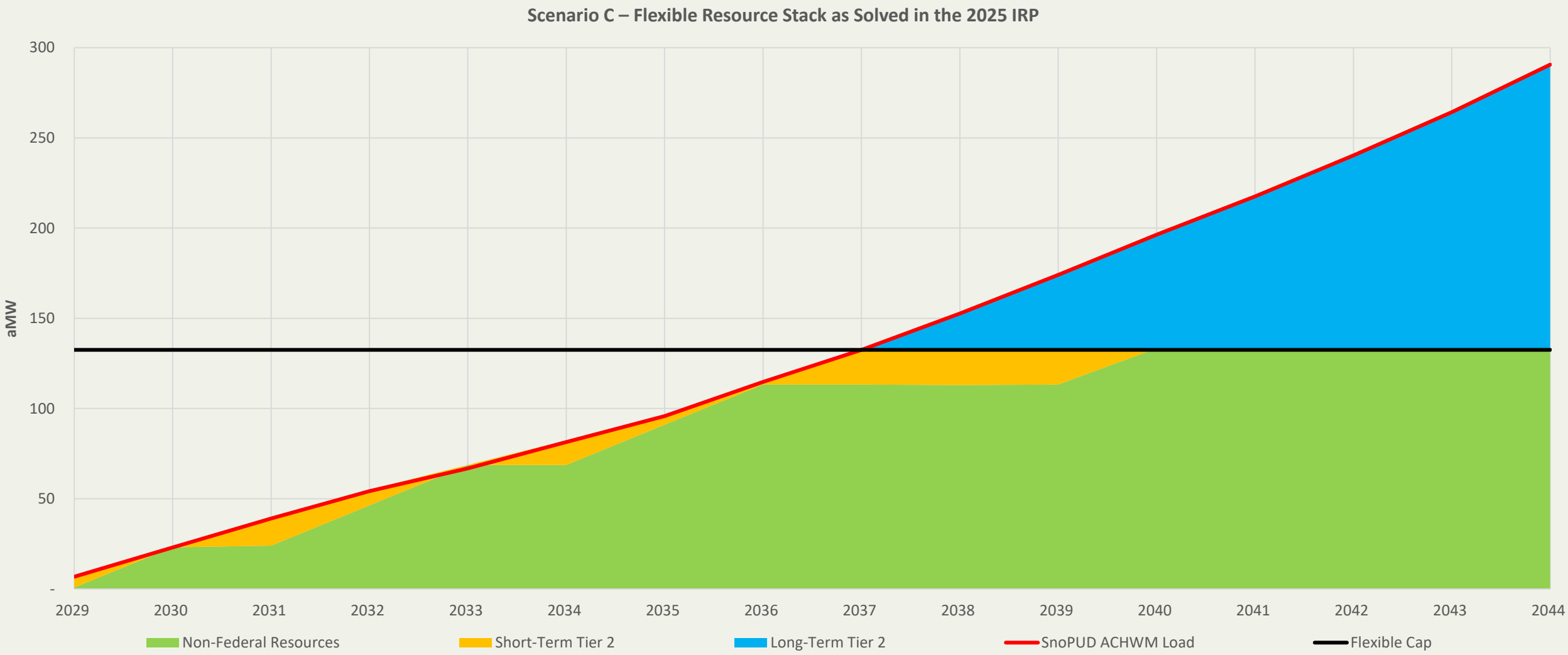
- Vintage Tier 2 is a resource choice offered at BPA's discretion that we will analyze every rate period, if available, to see if it is a good fit for our portfolio.
- Structurally, Vintage Tier 2:
  - Is available only to those that have Flexible ACHWM load to serve.
  - Is access to a named physical resource's output that BPA makes available at the Vintage Tier 2 rate.
  - Has its energy volume and its rate defined by BPA every rate period (~2 years).
    - Both the volume and the rate can change from rate period to rate period.

Supplemental: Option C - Reduction Right Graphical Example





Supplemental: Flexible Resource Stack as Solved in the 2025 IRP



BUSINESS OF THE COMMISSION

Meeting Date: June 9, 2026 **Agenda Item:** 4

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: June 9, 2026 **Agenda Item:** 5A

TITLE

Consideration of a Resolution Authorizing the Senior Manager of Strategic Partnerships and Strategic Accounts, or her Designee, to Execute Electric Pathways Grant Agreements Between Public Utility District No. 1 of Snohomish County and Selected Grantees for Grants Awarded Pursuant to the District's Electric Pathways for Transportation Grant Program

SUBMITTED FOR: Items for Individual Consideration

Strategic Accounts	Lisa DiMartino	1714
Department	*Contact*	*Extension*

Date of Previous Briefing: May 5, 2026
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:

Ends Policy – 4. Utilities are responsible – 4.1 Adverse environmental impacts are mitigated: 4.1.1 Reasonable utility related opportunities to protect or enhance the environment are taken. 4.1.2 The environment is enhanced by the use of renewable resources.

The Washington State Department of Ecology's (Ecology) Clean Fuel Standard (CFS), which implements Chapter 70A.535.080 RCW, requires fuel producers and suppliers ("Regulated Parties") to gradually reduce the carbon intensity of transportation fuels used in Washington state.

Under the CFS, electric utilities earn CFS credits in proportion to the amount of electricity used by residential electric vehicle ("EV") chargers, and Regulated Parties may purchase those credits from electric utilities to offset emissions from transportation fuels. Revenue from the sale of CFS credits may be used by electric utilities to fund transportation electrification projects within the electric utility's service territory through the award of grants.

In 2023, the District began participating in the CFS and established the Electric Pathways for Transportation Grant Program (Electric Pathways) in accordance with Ecology's guidelines, Title 54 RCW, and other applicable Washington state law. Eligible applicants may apply to the District for Electric Pathways grant funding from the District under Electric Pathways, and the District may award funding for projects that are consistent with Ecology's guidelines, Washington state law, and the District's priorities and evaluation criteria.

If the resolution is approved by the Commission, for grants under $200,000, the Senior Manager of Strategic Partnerships and Strategic Accounts would be authorized to execute grant agreements with the grantees to distribute the grant funds in accordance with the terms and conditions of the agreement. For grants of $200,000 or more, the respective grant agreement would be subject to Commission review and approval.

RECOMMENDATIONS/FUTURE ACTIONS:

Staff recommends that the Commission pass the resolution.

List Attachments:
Resolution

RESOLUTION NO. _____

A RESOLUTION Authorizing the Senior Manager of Strategic Partnerships and Strategic Accounts, or her Designee, to Execute Electric Pathways Grant Agreements Between Public Utility District No. 1 of Snohomish County and Selected Grantees for Grants Awarded Pursuant to the District's Electric Pathways for Transportation Grant Program

WHEREAS, the Washington State Department of Ecology's (Ecology) Clean Fuel Standard (CFS), which implements Chapter 70A.535.080 RCW, requires fuel producers and suppliers ("Regulated Parties") to gradually reduce the carbon intensity of transportation fuels used in Washington state; and

WHEREAS, under the CFS, electric utilities earn CFS credits in proportion to the amount of electricity used by residential Electric Vehicle ("EV") chargers, and Regulated Parties may purchase those credits from electric utilities to offset emissions from transportation fuels; and

WHEREAS, revenue from the sale of CFS credits may be used by electric utilities to fund transportation electrification projects within the electric utility's service territory through the award of grants; and

WHEREAS, in 2023, the Public Utility District No. 1 of Snohomish County (the "District") began participating in the CFS, and established the Electric Pathways for Transportation Grant Program (Electric Pathways) in accordance with Ecology's guidelines, Title 54 RCW, and other applicable Washington state law; and

WHEREAS, eligible applicants may apply to the District for Electric Pathways grant funding from the District under Electric Pathways, and the District will have sole discretion to award funding for projects that are consistent with Ecology's guidelines, Washington state law, and the District's priorities and evaluation criteria; and

WHERAS, if the District awards a grant, it may execute an Electric Pathways Grant Agreement with the grantee to distribute grant funds in accordance with the terms and conditions of that agreement; and

WHEREAS, Staff recommends that the Board authorize the Senior Manager of Strategic Partnerships and Strategic Accounts, or her designee, to execute such grant agreements, in an amount below $200,000 per agreement, for the purpose of funding transportation electrification projects and programs within the District's service territory.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of Public Utility District No.1 of Snohomish County, Washington, as follows:

1. The Senior Manager of Strategic Partnerships and Strategic Accounts, or her designee, is authorized to execute Electric Pathways Grant Agreements, in an amount below $200,000 per agreement, for grants awarded pursuant to the District's Electric Pathways for Transportation Grant Program; provided that form and substance of said agreements shall be reviewed and approved by the District's General Counsel or his designee.
2. All Electric Pathway Grants Agreements of $200,000 or more per agreement shall be subject to review and approval of the District Board of Commissioners.

PASSED AND APPROVED this 9th day of June, 2026.

_____
President

_____
Vice-President

_____
Secretary

BUSINESS OF THE COMMISSION

Meeting Date: June 9, 2026 **Agenda Item:** 5B

TITLE

Consideration of a Resolution Declaring Certain Timber Associated With the Jackson Project Surplus Property and Authorizing its Sale

SUBMITTED FOR: Items for Individual Consideration

Generation- Natural Resources	Mike Schutt	1712
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)(F)(1) a non-delegable, statutorily assigned Board duty to authorize disposition of property and payment therefore.

Staff request Board authorization to sell surplus trees from timber stands on certain District lands surrounding Spada Lake. Thinning of specified sizes and kinds of trees is required to comply with the District's Jackson Project Terrestrial Resource Management Plan (TRMP).

Specific management prescriptions for the Spada Lake Tract include the commercial thinning of selected timber stands in order to improve their value as wildlife habitat. The requested management action, which will reduce the density of trees from approximately 400 trees per acre to 170, involves approximately 160 acres in several locations. A professional timber cruise estimated the market value of the excess timber may be relatively low due to the costs of removal, small size of the trees, and depressed prices for this type of product.
Staff propose to offer the surplus timber for sale to the highest bidder, who will purchase, fall and remove the timber pursuant to the District's terms and conditions of sale.

It is unknown at this time whether the District will realize any net revenues from this management action, since the cost of timber removal under the District's specifications may be close to, or

possibly even exceed the market value of the timber. In the event that no bidder agrees to purchase the timber, the District will convert the existing contract language into a service contract, and bid the work out in accordance with District Policies and applicable law.

List Attachments:

Resolution
Exhibit A

RESOLUTION NO. _____

A RESOLUTION Declaring Certain Timber Associated With the Jackson Project Surplus Property and Authorizing its Sale

WHEREAS, Public Utility District No. 1 of Snohomish County (the "District") is authorized to sell or otherwise dispose of property which has become unserviceable, inadequate, obsolete, worn out or unfit to be used in the operations of the utility system and which is no longer necessary, material to, and useful in such operations, to any person or public body under RCW 51.16.180; and

WHEREAS, the District owns lands surrounding Spada Lake as part of its Jackson Hydroelectric Project and the timber upon such lands is managed in accordance with the District's Jackson Project Terrestrial Resource Management Plan (TRMP) as required by Project License Article TLA-1; and

WHEREAS, the TRMP requires periodic thinning of specified sizes and kinds of trees upon the subject District lands in order to improve the value of such lands as wildlife habitat; and

WHEREAS, based upon the information presented and the recommendation of staff, the Commission finds that the timber that must be thinned and removed from its Spada Lake lands for compliance with the Jackson Project's TRMP:

1. Is no longer necessary, material to, and useful in the District's operations; and
2. Is not required for providing continued public utility service; and
3. Should be sold to the highest qualified bidder, subject to the District's terms and conditions of sale.

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

Section 1. The District's Spada Lake timber that must be thinned and removed for compliance with the Jackson Project's TRMP is surplus to the District's needs. The subject Spada Lake lands and the surplus timber that is to be sold, cut, and removed are described in "Exhibit A," which is attached hereto and incorporated herein by this reference.

Section 2. The General Manager of the District, or the General Manager's designee, is authorized and directed to offer and sell such identified surplus timber to the highest qualified bidder, subject to a Bill of Sale and Agreement substantially in the form as set forth in "Exhibit A" attached hereto, or in the event the cost to remove the surplus timber exceeds the value of the timber, the General Manager of the District, or the General Manager's designee, is authorized to enter into an agreement to complete the timber thinning and removal in accordance with District Policies and applicable law.

PASSED AND APPROVED this 9th day of June, 2026.

_____
President

_____
Vice-President

_____
Secretary

SNOHOMISH COUNTY PUBLIC UTILITY DISTRICT

BILL OF SALE AND CONTRACT FOR

FOREST PRODUCTS

EXPORT RESTRICTED TONNAGE SCALE

SALE NAME: SPADA LAKE WILDLIFE HABITAT THINNING

PUBLIC UTILITY DISTRICT NO. 1 OF SNOHOMISH COUNTY (PUD)
and_____(PURCHASER),

AGREE AS FOLLOWS:

SECTION G: GENERAL TERMS

G-1 Definitions

Total Estimated Value of Sale: The Total Estimated Value of Sale shown in Purchaser's bid dated _____, which is $_____.

Product/Species	Estimated Quantity (tons)
SAW - White Wood sp. (western hemlock, silver fir)	13,924
SAW - Douglas-fir	1,775
SAW - Western Redcedar	228
SAW - Red Alder	323
TOTAL SAWLOGS (TONS)	16,250
TOTAL PULP (TONS)	1,132
TOTAL EST. TONS	**17,383**

	Bid Rates ($/TON)
Sawlogs (All Species)	$0.10/ton minimum - to be bid
Pulp (Optional)	$0.00/ton (fixed)
Total Estimated Value of Sale	= 16,250 x $Bid/Ton

The following definitions apply throughout this Contract:

Bill of Sale and Contract for Forest Products: Contract between the Purchaser and the PUD, which sets forth the procedures and obligations of the Purchaser in exchange for the right to remove forest products from the sale area. The Bill of Sale and Contract for Forest Products may include a Road Plan for any road construction or reconstruction, where applicable. The Bill of Sale and Contract for Forest Products is also referred to as the "Contract."

Contract Administrator: Person responsible for administering the Contract for the PUD.

Forest Product: Any material derived from the forest for commercial use.

Purchaser: The company or individual that has entered into this Bill of Sale and Contract for Forest Products with the PUD for the right to harvest and remove forest products from the timber sale area.

Road Construction: Includes building new and maintaining existing forest roads and associated work that may be optional or required as described in the Road Plan.

PUD: Public Utility District No. 1 of Snohomish County, the landowner and seller of Forest Products from the timber sale area.

Subcontractor: Individual or company employed by the Purchaser to perform a portion or all of the services required by the Bill of Sale and Contract for Forest Products. The Purchaser is responsible for independently negotiating, procuring and paying for all subcontracted services rendered.

G-11 Right to Remove Forest Products and Contract Area

Purchaser was the successful bidder on DATE and PUD awarded this Contract to Purchaser. The PUD agrees to sell and permit Purchaser to cut and remove, and Purchaser agrees to purchase, as much of the following Forest Products as can be cut and removed during the term of this Contract:

Sale Description

All timber meeting thinning prescriptions bound by Pink Harvest Boundary flagging, the Culmback Dam Road, and the South Shore Road, except trees marked with blue paint, snags or topped trees marked with pink & black candy stripe flagging and/or metal tags, dead and down old growth logs, stumps and other blowdown trees.

The described products above are located on approximately 158 acres in parts of Sections 19, 20, 26, 27, 29, 33, and 34, Township 29 North, Range 09 East, all W.M., in Snohomish County as shown on Timber Sale Maps and as designated in the sale area.

All forest products described above from the bole of the tree that meet or exceed 2 inches diameter inside bark on the small end are eligible for removal. Above ground components of a tree that remain as by-products after the manufacture of logs, including but not limited to tree tops, branches, limbs, needles, leaves, and stumps, are not eligible for removal under the terms of this contract.

This Contract does not convey an interest in land.

G-12 Export Restricted

The timber sold herein is hereby designated as export restricted. WAC 240-15-015 (relating to the prohibition on export and substitution), WAC 240-15-025 (relating to reporting requirements) and WAC 240-15-030 (relating to enforcement) are incorporated herein by reference. A violation by the purchaser of the prohibitions under WAC 240-15-025 shall be sufficient cause for the PUD to cancel this Contract and, in the PUD's sole discretion, may be cause to disqualify Purchaser from future purchases and Contracts with the PUD.

G-20 Inspection By Purchaser

Purchaser hereby warrants to the PUD that they have had an opportunity to fully inspect the sale area and the Forest Products being sold. Purchaser further warrants to the PUD that it enters into this Contract based solely upon its own judgment of the value of the Forest Products, formed after its own examination and inspection of both the timber sale area and the Forest Products being sold. Purchaser also warrants to the PUD that it enters this Contract without any reliance upon the volume estimates, acreage estimates, appraisals, pre-bid documentation, or any other representations by the PUD or Roots Forestry Consulting, LLC, a professional forestry consulting firm overseeing this project on behalf of the PUD.

G-25 Exhibits

The following exhibits are hereby incorporated by reference into this Contract:

A. Timber Sale Maps
B. Thinning Prescriptions
C. Road Plan dated 3/3/2026
D. Unanticipated Discovery Plan

G-30 Contract Term

Purchaser shall remove the Forest Products conveyed and complete all work required by this Contract prior to **12/01/2027**. This Contract expires on such date.

G-40 Contract Term Adjustment – No Payment

Purchaser may request an adjustment in the Contract term. A request must be submitted in writing, must be received by the PUD within 30 days after the start of interruption or delay, and must indicate the actual or anticipated length of interruption or delay. The PUD may grant the adjustment only if the cause for Contract term adjustment is beyond Purchaser's control. The cause must be one of the following and the adjustment may be granted only if operations or planned operations under this Contract are actually interrupted or delayed:

a. Road and bridge failures, which deny access;

b. Shutdowns caused by, or resulting from, action or inaction by regulatory agencies, including, but not limited to, rules, changes in rules or regulations, or other action;

c. Access road closures imposed by road owner;

d. Excessive suspensions as provided in clause G-220.

G-51 Contract Extensions

Extensions of this Contract term may be granted only if, in the judgment of the PUD, Purchaser is acting in good faith and is endeavoring to remove the Forest Products conveyed. The PUD may extend the term of this Contract for a reasonable time if all of the following conditions are satisfied by the Purchaser:

a. A written request for extension of the Contract term must be received prior to the expiration date of the Contract.

b. Completion of all required roads and compliance with all Contract and regulatory requirements.

c. For the first extension, not to exceed one (1) year, payment of at least twenty-five percent (25%) of the total Contract Price.

For the second extension, not to exceed one (1) year, payment of at least ninety percent (90%) of the total Contract Price.

The payments shall not include the initial deposit.

d. Payment of an amount based on twelve percent (12%) interest per annum on the unpaid portion of the total Contract Price.

To determine the unpaid portion of the contract, multiply the contract payment rate for each item by the remaining volume for each item based on the volumes from the Timber Notice of Sale. In addition, all cash deposits that can be used for timber payments, except the initial deposit, will be deducted from the unpaid portion of the contract.

e. Payment of One Hundred Ten Dollars ($110.00) per acre per annum for the acres on which an operating release has not been issued. In no event will this portion of the extension charge be less than Fifty Dollars ($50.00) per annum per acre.

f. Extension payments are non-refundable.

G-53 Surveys - Sensitive, Threatened, Endangered Species

Whenever the PUD determines that a survey for sensitive, threatened, or endangered species is prudent, or when Purchaser determines a survey is prudent and the PUD agrees, Purchaser shall perform such surveys at Purchaser's expense and to the standards required by the PUD. The survey information shall be supplied to the PUD.

G-60 No Warranties by PUD

THE PARTIES AGREE THAT THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND ALL OTHER WARRANTIES EXPRESSED OR IMPLIED ARE EXCLUDED FROM THIS TRANSACTION AND SHALL NOT APPLY TO THE GOODS SOLD. FOR EXAMPLE, THE FOLLOWING SPECIFIC MATTERS ARE NOT WARRANTED, AND ARE EXCLUDED FROM THIS TRANSACTION:

a. The MERCHANTABILITY of the Forest Products. The use of the term "merchantable" elsewhere in this Contract is not intended to vary the foregoing.

b. The CONDITION of the Forest Products. The Forest Products are conveyed "as is."

c. The ACREAGE contained within any sale area. Any acreage descriptions appearing in the timber notice of sale, Timber Sale Maps, this Contract, or other documents are estimates only, provided solely for administrative and identification purposes.

d. The VOLUME, TONNAGE, QUALITY, OR GRADE of the Forest Products. The descriptions of the Forest Products conveyed in this Contract are estimates only, made for the sole purpose of identification.

e. THE CORRECTNESS OF ANY SOIL OR SURFACE CONDITION AND PRE-SALE CONSTRUCTION APPRAISALS, INVESTIGATIONS, AND ALL OTHER PRE-BID DOCUMENTS PREPARED BY OR FOR THE PUD. These documents were prepared for appraisal purposes only.

f. Items which extend beyond the description of the face of this Contract.

g. THAT THE SALE AREA IS FREE FROM THREATENED OR ENDANGERED SPECIES or their habitat. The PUD is not responsible for any interference with forestry operations that result from the presence

of any threatened or endangered species, or the presence of their habitat, within the sale area.

h. THAT THE FORESTRY OPERATIONS to be performed under this contract WILL BE FREE FROM REGULATORY ACTIONS by governmental agencies. The PUD is not responsible for actions to enforce regulatory laws, such as the Washington Forest Practices Act (chapter 76.09 RCW), taken by the Department of Natural Resources or any other agency that may affect the operability of this timber sale.

G-61 Unanticipated Discovery Plan (UDP)

The PUD's Unanticipated Discovery Plan (UDP) details the procedures for the unanticipated discovery of human remains or archaeological resources within the Area of Potential Effects for the Henry M. Jackson Hydroelectric Project (FERC No. 2157). Purchaser shall adhere to the UDP and keep a copy onsite during all activities. The UDP is included herein as Exhibit D.

G-62 Terrestrial Resource Management Plan (TRMP)

The PUD has entered into a Terrestrial Resource Management Plan (TRMP) with the Federal Energy Regulatory Commission (FERC) to address Spada Lake Tract land management and conservation relating to compliance with the Federal Endangered Species Act. The activities to be carried out under this Contract are located within the PUD's TRMP area and are subject to the terms and conditions of the Incidental Take Permit issued by USFWS. All TRMP and Murrelet protection materials are available for review at the Snohomish PUD Electric Building Headquarters at 2320 California St., Everett, WA, or online on the PUDs website:

https://www.snopud.com/community-environment/environmental-commitment/stewardship/jackson-terrestrial-program/

By signing this Contract, Purchaser agrees to comply with the terms and conditions of the TRMP and the Incidental Take Permit, which are incorporated by reference into this Contract and provisions of which are terms of this Contract. Details related to required timing restrictions are discussed further in Section H-10: Cutting and Yarding Schedule within this contract.

The PUD agrees to authorize the lawful activities of the Purchaser carried out pursuant to this Contract, PROVIDED the Purchaser remains in compliance with the terms and conditions of both the TRMP and the Incidental Take Permit. The requirements set forth in this Contract are intended to comply with the terms and conditions of the TRMP and the Incidental Take Permit. Accordingly, non-compliance with the terms and conditions of the TRMP or the Incidental Take Permit will render the authorization provided in this paragraph void, be deemed a breach of the Contract and may subject Purchaser to liability for violation of the Endangered Species Act.

Any modifications to the Contract shall be proposed in writing by Purchaser, shall continue to meet the terms and conditions of the TRMP and the Incidental Take Permit, and shall require an amendment signed by the PUD before taking effect.

G-63 Incidental Take Permit Notification Requirements

a. Purchaser shall immediately notify the Contract Administrator of new locations of permit species covered by the Incidental Take Permits (ITP) that are discovered within the area covered by the TRMP including, but not limited to: locations of occupied murrelet habitat and; spotted owl nests. Purchaser is required to notify the Contract Administrator upon discovery of any fish species found in streams or bodies of water classified as non-fish bearing. In all circumstances, notification must occur within a 24 hour time period.

b. Upon locating any live, dead, injured, or sick specimens of any permit species covered by the ITP, Purchaser shall immediately notify the Contract Administrator. Purchaser shall notify the Contract Administrator if there is any doubt as to the identification of a discovered permit species. Purchaser may be required to take certain actions to help the Contract Administrator safeguard the well-being of any live, injured or sick specimens of any permit species discovered, until the proper disposition of such specimens can be determined by the Contract Administrator. Any such requirements will be explained to Purchaser by the Contract Administrator during the Pre-Work Conference. In all circumstances, notification must occur within a 24 hour time period.

c. Provisions and requirements of the ITP shall be clearly presented and explained to Purchaser by Contract Administrator during the Pre-Work Conference as per Contract clause G-330. All applicable provisions of the ITP and this schedule must be presented and clearly explained by Purchaser to all authorized officers, employees, contractors, or agents of Purchaser conducting authorized activities in the timber sale area. Any questions Purchaser may have about the ITP should be directed to the Contract Administrator.

G-64 Permits

Purchaser is responsible for obtaining any permits not already obtained by the PUD that relate to Purchaser's operation. Forest Practice Application / Hydraulic Project Approval permits obtained by the PUD shall be transferred to Purchaser. Approved Forest Practice Applications include # 2819996. Purchaser is responsible for all permits, amendments and renewals, and ensuring all work under this Contract is completed.

G-65 Disclaimer of Regulatory Actions

The PUD disclaims any responsibility for, or liability relating to, regulatory actions by any government agency, including actions pursuant to the Forest Practices Act, Ch. 76.09 RCW that may affect the operability of the timber sale.

G-66 Governmental Regulatory Actions

a. Risk

Purchaser shall be responsible for any increased operating costs arising from any applicable foreign or domestic governmental regulation or order that does not cause Contract performance to become commercially impracticable or that does not substantially frustrate the purpose of the Contract. If impracticability or frustration results from Purchaser's failure to comply with this Contract, Purchaser shall remain responsible for payment of the total Contract Price notwithstanding the impracticability or frustration.

b. Sale Area

When portions of the sale area become subject to a domestic governmental regulation or order that will likely prevent timber harvest for a period exceeding six months, and the Purchaser has complied with this Contract, then:

i. If forty percent (40%) or less of the sale area is affected by the governmental regulation or order, the PUD, at Purchaser's request, shall adjust the total Contract Price as set forth in paragraph (c) below.

ii. If forty-one percent (41%) to seventy-four percent (74%) of the sale area is affected by the governmental regulation or order, and if so requested by the Purchaser in writing, the PUD shall adjust the total Contract Price as set forth in paragraph (c) below or terminate the Contract. Termination will discharge any unexecuted portion of the Contract.

iii. If seventy-five percent (75%) or more of the sale area is affected by the governmental regulation or order, the PUD reserves the right to unilaterally terminate the Contract and thereby discharge any unexecuted portion thereof. If the PUD does not exercise this right, the PUD shall adjust the total Contract Price as set forth in paragraph (c) below if requested to do so by the Purchaser.

c. Adjustment of Price

When required by clause G-66 (b), the PUD shall adjust the total Contract Price by subtracting from the total Contract Price an amount determined as provided in this clause. The PUD shall cause the timber sale area acreage subject to governmental regulation or order to be surveyed. The PUD shall calculate the percentage of the total

sale area acreage subject to the governmental regulation or order. The PUD shall multiply the total Contract Price by percentage obtained by dividing the timber sale area subject to regulation or order by the total sale area acreage. No adjustment will be made for variation in species, value, costs, or other items. A reduction in total Contract Price terminates all of the Purchaser's rights to purchase and remove the timber and all other interest in the affected sale area.

G-70 Limitation of Damages

In the event of a breach of any warranty or any other act or omission under this Contract by the PUD, the liability of the PUD shall be limited to, and Purchaser's exclusive remedy shall be, a return of the initial deposit, unapplied payments, and credit for unamortized improvements made by Purchaser.

The PUD shall not be liable for any other damages, whether direct, incidental or consequential.

G-80 Statements by PUD

No advice by any agent, employee, or representative of the PUD regarding the method or manner of performing shall constitute a representation or warranty that said method, manner or result thereof will conform to the Contract or be suitable for Purchaser's purposes under the Contract. Purchaser's reliance on any PUD advice regarding the method or manner of performance shall not relieve Purchaser of any risk or obligation under the Contract. Purchaser retains the final responsibility for its operations under this Contract and PUD shall not be liable for any injuries resulting from Purchaser's reliance on any PUD advice regarding the method or manner of performance.

In addition:

a. Nothing in this Contract requires the PUD to provide the Purchaser with direction or advice. If a duly authorized representative of the PUD approves, suggests or recommends any practice, means, method or manner for performance of this Contract, including logging practices, such approval, suggestion or recommendation shall not: (1) guarantee such approval, suggestion or recommendation will accomplish the requirements of the Contract; (2) relieve the Purchaser of any risks or obligations under the Contract; or (3) create any liability by the PUD to the Purchaser.

b. Suggestions as to plans or methods of accomplishing the Contract by the PUD or the PUD's representative to the Purchaser, but not specified or required, if adopted or followed by the Purchaser in whole or in part, shall be used at the risk and responsibility of the Purchaser. The PUD and the PUD's representative assume no responsibility therefor and in no way will be held liable for any defects in the work which may result from or be caused by use of such plan or method or work.

G-91 Sale Area Adjustment

The Parties may agree to adjustments in the sale area boundary. Thinning is expected to occur throughout the entire sale area unless otherwise approved in writing by the Contract Administrator. Only areas that are deemed to be operationally inaccessible shall be considered for removal from the sale area. The only exception is Unit 20, which is optional. If the sale area is increased, added forest products become a part of this Contract and shall be paid for at the same rate and manner as other forest products under this Contract.

G-101 Forest Products Not Designated

Any trees or Forest Products that are not designated for removal and which must be removed in the course of operations authorized by the PUD, shall be approved and designated by the Contract Administrator. Purchaser shall pay PUD for such Forest Products at a fair market value as determined by the PUD.

G-105 Adding Naturally Damaged Forest Products

Any forest products not designated for removal that are seriously damaged by disease, insects or wind, or that may contribute seriously to the spread of insect or disease damage may be added to this sale by the Contract Administrator. Additions must be in unlogged areas of the sale and added volume shall not exceed an amount equal to 10 percent of the original advertised volume. Added forest products become a part of this Contract and shall be paid for at the same rate and manner as other forest products under this Contract.

G-110 Title and Risk of Loss

Title to the Forest Products conveyed passes upon the execution of this Contract by the PUD. Purchaser bears the risk of loss or damage to the Forest Products in this Contract from the time the PUD executes this Contract. In the event any such Forest Products are destroyed, damaged, or stolen after passage of title, whether the cause is foreseeable or unforeseeable, the Forest Products shall be paid for by Purchaser. Breach of this Contract shall have no effect on this provision. Title to the Forest Products not removed from the sale area within the period specified in this Contract shall revert to the PUD.

G-120 Responsibility for Work

All work, equipment and materials necessary to perform this Contract shall be the responsibility of Purchaser. Any damage to improvements, except as provided in G-130, shall be repaired promptly to the satisfaction of the PUD at Purchaser's expense during the Contract period unless an operating release has been issued.

G-121 Forest Tax

Purchaser must pay the forest excise tax associated with project. The tax rate for this sale is 4.2 %. Taxable Stumpage = Total Delivered Value – (Harvest Cost + Estimated Haul Cost).

For more information contact the Department of Revenue, Forest Tax Section at 1-800-548-8829.

G-130 Exceptions

a. Exceptions to Purchaser's responsibility in G-120 shall be limited exclusively to the following. These exceptions shall not apply should damages occur because of Purchaser's failure to take reasonable precautions or to exercise sound forest engineering and construction practices.

1. The PUD shall bear the cost to repair any third-party damage involving any existing roadway or section of new construction completed under this Contract to a fully functional stage. Purchaser shall accomplish repairs promptly as required by the PUD at an agreed price. The PUD may elect to accomplish repairs itself, either by its own forces or by contracting with a third party.

2. Catastrophic damage is defined as PUD identified damage valued in excess of Ten Thousand Dollars ($10,000.00), which is caused by forces beyond the control, and without the negligence of, Purchaser, such as earthquakes, volcanic eruptions, landslides, and floods. The Parties shall share equally the cost to repair any part of the required work performed by Purchaser, which is damaged by catastrophic damage. Purchaser shall be responsible for the first Ten Thousand Dollars ($10,000.00) of repair costs. Purchaser shall accomplish repairs promptly as required by the PUD at an agreed price. The PUD may elect to accomplish repairs by means of PUD provided resources.

b. Nothing contained in G-120 and G-130 shall be construed as relieving Purchaser of responsibility for, or damage resulting from, Purchaser's operations or negligence, nor shall Purchaser be relieved from full responsibility for making good any defective work or materials.

G-140 Indemnity

To the fullest extent permitted by law, Purchaser shall indemnify, defend and hold harmless PUD and all officials, agents and employees of PUD, from and against all Claims arising out of or resulting from the performance of this Contract. "Claim" as used in this Contract means any and all financial loss, claim, suit, action, damage, or expense, including but not limited to attorneys' fees, attributable for bodily injury, sickness, disease or death, or injury to or destruction of tangible property including loss of use resulting therefrom. Purchaser’s obligations to indemnify, defend, and hold harmless includes any Claim by Purchaser’s agents, employees, representatives, or any subcontractor or its employees. Purchaser expressly agrees to indemnify, defend, and hold harmless PUD for any claim arising out of or incident to Purchaser’s or any subcontractors' performance or failure to perform the Contract. Purchaser’s obligation to indemnify, defend, and hold harmless PUD shall not be eliminated or reduced by any actual or alleged concurrent negligence of PUD or its agents, agencies, employees and officials. Purchaser waives its immunity under Title 51 RCW to the extent it is

required to indemnify, defend and hold harmless PUD and its agents, officials, or employees and acknowledges this was mutually negotiated. This clause G-140 survives termination or expiration of this Contract.

G-150 Liability Insurance

Purchaser shall, at its cost and expense, buy and maintain insurance of the types and amounts listed below. Failure to buy and maintain the required insurance may result in a breach and/or termination of the Contract at PUD's option. PUD may suspend Purchaser operations until required insurance has been secured.

All insurance and surety bonds should be issued by companies admitted to do business within the State of Washington and have a rating of A-, Class VII or better in the most recently published edition of Best's Reports. Any exception shall be reviewed and approved by the PUD's Risk Manager before the insurance coverage is accepted. If an insurer is not admitted, all insurance policies and procedures for issuing the insurance policies must comply with Chapter 48.15 RCW.

The PUD shall be provided written notice before cancellation or non-renewal of any insurance referred to therein, in accord with the following specifications:

1. Insurers subject to Chapter 48.18 RCW (admitted and regulated by the Insurance Commissioner): The insurer shall give the PUD 45 days advance notice of cancellation or non-renewal. If cancellation is due to non-payment of premium, the PUD shall be given 10 days advance notice of cancellation.

2. Insurers subject to Chapter 48.15 RCW (surplus lines): The PUD shall be given 20 days advance notice of cancellation. If cancellation is due to non-payment of premium, the PUD shall be given 10 days advance notice of cancellation.

Prior to performing any part of this Contract, Purchaser shall provide the PUD with a Certificate of Insurance acceptable to the PUD Contracts & Purchasing Administrator evidencing the required insurance. In addition, Purchaser shall provide the PUD with either (1) a true copy of an endorsement naming the Snohomish PUD, its officers, employees and agents as Additional Insureds on all general liability, excess, umbrella, and property insurance policies with respect to the operations performed and services provided under this Contract and that such insurance shall apply as primary, non-contributing insurance on behalf of such Additional Insureds or (2) a true copy of the blanket additional insured clause providing such coverage from the policies. Receipt by the PUD of any certificate showing less coverage than required is not a waiver of the Service Provider's obligations to fulfill the requirements. The full policy limits maintained by the Purchaser shall be available to the PUD as Additional Insured, even if such limits are greater than those required by this Contract.

Insurance coverage shall be obtained by the purchaser prior to operations commencing and continually maintained in full force until all Contract obligations have been satisfied or an operating release has been signed by the PUD.

Purchaser shall include all subcontractors as insured under all required insurance policies, or shall furnish separate certificates of insurance and endorsements for each subcontractor. Subcontractor(s) must comply fully with all insurance requirements stated herein. Failure of subcontractor(s) to comply with insurance requirements does not limit Purchaser's liability or responsibility.

All insurance provided in compliance with this Contract shall be primary as to any other insurance or self-insurance programs afforded to or maintained. Purchaser waives all rights against PUD for recovery of damages to the extent these damages are covered by general liability or umbrella insurance maintained pursuant to this Contract.

By requiring insurance herein, PUD does not represent that coverage and limits will be adequate to protect Purchaser and such coverage and limits shall not limit Purchaser's liability under the indemnities and reimbursements granted to PUD in this Contract.

The limits of insurance, which may be increased as deemed necessary by PUD, shall not be less than as follows:

Commercial General Liability (CGL) Insurance. Purchaser shall maintain general liability (CGL) insurance, and, if necessary, commercial umbrella insurance with a limit of not less than $2,000,000.00 per each occurrence. If such CGL insurance contains aggregate limits, the General Aggregate limit shall be at least twice the "each occurrence" limit. CGL insurance shall have products-completed operations aggregate limit of at least two times the "each occurrence" limit. CGL coverage shall include a Logging and Lumbering Endorsement (i.e. Logger's Broad-Form) to cover the events that include, but are not limited to, fire suppression expenses, accidental timber trespasses, and wildfire property damage with limits of not less than $2,000,000.00 each occurrence.

CGL insurance shall be written on Insurance Services Office (ISO) occurrence form CG 00 01 (or a substitute form providing equivalent coverage). All insurance shall cover liability arising out of premises, operations, independent contractors, products completed operations, personal injury and advertising injury, and liability assumed under an insured contract (including the tort liability of another party assumed in a business contract), and contain separation of insureds (cross liability) condition.

Employer's Liability "Stop Gap" Insurance. Purchaser shall buy employers liability insurance, and, if necessary, commercial umbrella liability insurance with limits not less than $1,000,000.00 each accident for bodily injury by accident or $1,000,000.00 each employee for bodily injury by disease.

Workers' Compensation Coverage. Purchaser shall comply with all State of Washington workers' compensation statutes and regulations. Workers' compensation coverage shall be provided for all employees of Purchaser and employees of any subcontractor or sub-subcontractor. Coverage shall include bodily injury (including death) by accident or disease, which exists out of or in connection with the performance of this Contract. Except as prohibited by law, Purchaser waives all rights of subrogation against PUD for recovery of damages to the extent they are covered by workers' compensation, employer's liability, commercial general liability, or commercial umbrella liability insurance.

If Purchaser, subcontractor or sub-subcontractor fails to comply with all State of Washington workers' compensation statutes and regulations and PUD incurs fines or is required by law to provide benefits to or obtain coverage for such employees, Purchaser shall indemnify PUD. Indemnity shall include all fines, payment of benefits to Purchaser or subcontractor employees, or their heirs or legal representatives, and the cost of effecting coverage on behalf of such employees.

Business Auto Policy (BAP). Purchaser shall maintain business auto liability and, if necessary, commercial umbrella liability insurance with a limit not less than $1,000,000.00 per accident. Such insurance shall cover liability arising out of "Any Auto". Business auto coverage shall be written on ISO form CA 00 01, or substitute liability form providing equivalent coverage. If necessary the policy shall be endorsed to provide contractual liability coverage and cover a "covered pollution cost or expense" as provided in the 1990 or later editions of CA 00 01. Purchaser waives all rights against PUD for the recovery of damages to the extent they are covered by business auto liability or commercial umbrella liability insurance.

G-160 Agents

a. The Contract Administrator will administer the Contract on behalf of the PUD. The PUD will notify the Purchaser in writing who is responsible for administering the Contract. No agent, employee, or representative of the PUD, including the Contract Administrator, has any authority to bind the PUD to any affirmation, representation or warranty concerning the Forest Products conveyed beyond the terms of this Contract.

b. Purchaser is required to have a person onsite at all times that is authorized to receive instructions and notices from the PUD. Purchaser shall inform the PUD in writing who is authorized to receive instructions and notices from the PUD, and any limits to this person's authority.

G-161 Independent Contractor

a. The parties agree that this Contract shall not constitute nor create an employer-employee relationship, and since the Purchaser is an independent Contractor, Purchaser shall be responsible for all obligations relating to federal income tax, self-employment FICA taxes and contributions, and all other so called employer taxes and contributions, including, but not limited to, industrial insurance (Workmen's

Compensation), and that the Purchaser agrees to indemnify, defend and hold the PUD harmless from any claims, valid or otherwise, made to the PUD, because of these obligations.

b. While engaged in the performance of this Contract, any and all employees of the Purchaser shall be considered employees of only the Purchaser and not employees of the PUD. The Purchaser shall be solely liable for any and all claims that may or might be made on behalf of said employees or Purchaser, while so engaged and for any and all claims made by a third party as a consequence of any negligent act or omission on the part of the Purchaser's employees, while so engaged on any of the Work.

c. Purchaser shall comply with all applicable provisions of the Fair Labor Standards Act and other legislation affecting its employees and the rules and regulations issued thereunder insofar as applicable to its employees and shall at all times save the PUD free, clear and harmless from all actions, claims, demands and expenses arising out of said act, and rules and regulations that are or may be promulgated in connection therewith.

d. Purchaser assumes full responsibility for the payment of all payroll taxes, use, sales, income, or other form of taxes (such as state and, PUD business and occupation taxes), fees, licenses, excises or payments required by any PUD, federal or state legislation which are now or may during the term of the Contract be enacted as to all persons employed by the Purchaser and as to all duties, activities and requirements by the Purchaser in performance of the Work and Purchaser shall assume exclusive liability therefore, and meet all requirements thereunder pursuant to any rules or regulations that are now or may be promulgated in connection therewith.

G-162 Employment

The Purchaser warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Purchaser, to solicit or secure this Contract and that it has not paid or agreed to pay any company or person, other than a bona fide employee working solely for the Purchaser, any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, the PUD shall have the right to terminate this Contract without liability or, in its discretion, to deduct from the Contract Price or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

G-170 Assignment and Delegation

No rights or interest in this Contract or performance of Contract duties shall be assigned or delegated by Purchaser without prior written permission of the PUD. Any attempted assignment shall be void and ineffective for all purposes unless made in conformity with this paragraph. Approval or assignment by the PUD shall not include or in any way constitute release of security provided by the Purchaser.

G-180 Modifications

Waivers, modifications or amendments of the terms of this Contract must be in writing signed by Purchaser and the Assistant General Manager of PUD Generation Resources.

G-181 Waiver

Any waiver by the Purchaser or the PUD or the breach of any provision of this Contract by the other party will not operate, or be construed, as a waiver of any subsequent breach by either party or prevent either party from thereafter enforcing any such provisions.

G-182 Severability

If any part of this Contract is found to be in conflict with applicable laws, such part shall be inoperative, null and void, insofar as it is in conflict with said laws and the remainder of the Contract shall remain in full force and effect.

G-190 Contract Complete

This Contract is the final expression of the Parties' agreement. There are no understandings, agreements or representations expressed or implied, which are not specified in this Contract.

G-201 Notice

a. Notices required to be given pursuant to clauses G-211 Violation of Contract and G-220 PUD Suspends Operations shall be in writing and shall be delivered to the Party's authorized agent or sent by certified mail to the Party's post office address:

PURCHASER ADDRESS TO BE ENTERED UPON CONTRACT AWARDING

b. All other notices required to be given under this Contract shall be in writing and delivered to the authorized agent or mailed to the Party's post office address. Purchaser agrees to notify the PUD of any change of address.

G-211 Violation of Contract

a. If Purchaser violates any provision of this Contract, the Contract Administrator, by written notice, may suspend those operations in violation. If the violation is capable of being remedied, the Purchaser has thirty (30) days after receipt of a suspension notice to remedy the violation. If the violation cannot be remedied (such as a violation of WAC 240-15-015) or Purchaser fails to remedy the violation within the thirty (30) days after receipt of a suspension notice, the PUD may terminate the rights of Purchaser under this Contract and collect the liquidated damages provided for in D-13.

b. If the Contract expires pursuant to G-30 without Purchaser having performed all its duties under this Contract, Purchaser's right to operate is terminated and Purchaser

shall not have the right to remedy the breach. This provision shall not relieve Purchaser of any payment obligations.

c. The PUD has the right to remedy the breach in the absence of any indicated attempt by Purchaser or if Purchaser is unable, as determined by the PUD, to remedy the breach. Any expense incurred by the PUD shall be charged to Purchaser and shall be paid within thirty (30) days of receipt of the billing.

d. If Purchaser's violation is the result of a failure to make a payment when due, in addition to a. and b. above, interest shall accrue on the unpaid balance at the current interest rate of one percent (1%) per month computed daily beginning the date payment was due.

G-220 PUD Suspends Operation

The Contract Administrator may suspend any operation of Purchaser under this Contract when, in the opinion of the PUD, the PUD is suffering, or there is a reasonable expectation the PUD will suffer environmental, monetary, or other damage if the operation is allowed to continue.

Purchaser shall be in breach of this Contract if the operation continues after the suspension notice or if the operation resumes without prior approval and notice from the PUD.

Purchaser may request a modification of a suspension within thirty (30) days of the start of suspension through the dispute resolution process in clause G-240. If this process results in a finding that the suspension exceeded the time reasonably necessary to stop or prevent damage to the PUD, Purchaser is entitled to a Contract term adjustment under clause G-40 for the actual interruption or delay in operations caused by the excessive suspensions.

If it reasonably appears that the damage that the PUD is suffering, or can reasonably be expected to suffer, if the operation continues, will prevent harvest for a period that will exceed six months, and the Purchaser has complied with this Contract, the provisions of Clause G-66 shall govern just as if the harvest was prevented by an applicable foreign or domestic governmental regulation or order.

G-230 Unauthorized Activity

Any cutting, removal, or damage of Forest Products by Purchaser, its employees, agents, or invitees, including independent contractors, in a manner inconsistent with the terms of this Contract or State law, is unauthorized. Such activity shall be considered outside this Contract and may subject Purchaser to liability for triple the value of said Forest Products.

G-240 Dispute Resolution

The following procedures apply in the event of a dispute regarding interpretation of the administration of this Contract and the parties agree that these procedures must be followed before a lawsuit can be initiated.

a. In the event of a dispute, Purchaser must make a written request to the Assistant General Manager of PUD Generation Resources (AGM) for resolution prior to seeking other relief.

b. The AGM will issue a written decision on Purchaser's request within ten (10) working days.

G-241 Audits and Inspections

At any time during normal business hours and as often as the PUD may deem necessary, the Purchaser shall make available to the PUD for the PUD's examination all of the Purchaser's records and documents with respect to all matters covered by this Contract and, furthermore, the Purchaser will permit the PUD to audit, examine and make copies, excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Contract.

G-250 Compliance with All Laws

Purchaser shall comply with and obey all federal, state and local laws, regulations, and ordinances applicable to the operation of its business and to its performance of work hereunder, including, but not limited to, the applicable requirements of WAC 240-15-015 (relating to prohibitions on export and substitution), WAC 240-15-025 (relating to reporting requirements), and WAC 240-15-030 (relating to enforcement).

G-260 Venue

The laws of the State of Washington shall govern this Contract. In the event of a lawsuit involving this Contract, venue shall be exclusively in Snohomish County Superior Court.

G-270 Equipment Left on PUD Land

All equipment owned or in the possession of Purchaser or its delegates shall be removed from the sale area and other PUD land by the termination of this Contract. Equipment remaining unclaimed on PUD land sixty (60) days after the expiration of the Contract period is subject to disposition as provided by law. Purchaser shall pay to the PUD all costs of moving, storing and disposing of such equipment. The PUD shall not be responsible for any damages to or loss of the equipment or damage caused by the moving, storing or disposal of the equipment.

G-280 Operating Release

Purchaser and Contract Administrator may agree to an operating release for this sale, or portion of this sale prior to the Contract expiration, when all Contract requirements pertaining to the release area, except slash disposal and payments, have been satisfactorily completed. Upon issuance of a release, Purchaser's right to cut and remove Forest Products on the release area will terminate.

G-310 Road Use Authorization

Purchaser is authorized to use the gravel portion of the following PUD roads and those roads on which the PUD has acquired easements or road-use permits: Sultan Basin Road, Culmback Dam Road (CD-ML), South Shore Road (SL-ML), Road A (NW-12219350), and Road B (NW-1219351).

The PUD may authorize in writing the use of other roads subject to fees, restrictions, and prior rights.

G-330 Pre-work Conference

Purchaser shall arrange with the Contract Administrator to review this Contract and to examine the sale area before beginning any operations. A plan of operations shall be developed and agreed upon by the PUD and Purchaser before beginning any operations. To the extent that the plan of operations is inconsistent with the Contract, the terms of the Contract shall prevail. PUD's acceptance and approval of Purchaser's plan of operations shall not be construed as any statement or warranty that the plan of operations is adequate for Purchaser's purposes or complies with applicable laws.

G-340 Preservation of Markers

Any legal land subdivision survey corners and witness objects are to be preserved. If such are destroyed or disturbed, Purchaser shall have a licensed land surveyor re-establish them in accordance with U.S. General Land Office standards. Corners and/or witness objects that must be disturbed or destroyed in the process of road construction or logging shall be adequately referenced and/or replaced. Such references must be approved by the Contract Administrator prior to removal of said corners and/or witness objects.

G-360 Road Use Reservation

The PUD shall have the right to use, without charge, all existing and any road constructed or reconstructed on PUD lands by Purchaser under this Contract. The PUD may extend such rights to others. If the PUD grants such rights to others, the PUD shall require performance or payment, as directed by the PUD, for their proportionate share of maintenance based on their use.

G-370 Blocking Roads

Under no circumstances shall the Culmback Dam Road and South Shore roads be blocked at the same time unless permission is granted in advance in writing by the Contract Administrator. During active operations, one road system at a time may be blocked but shall be made passable to official vehicles within approximately 1 hour. All roads shall be made passable to official vehicles at the end of each workday. While the project is active, roads will be closed to public access from Monday through Friday, and opened to normal public access on Saturday and Sunday.

Culmback Dam: Purchaser shall not stop trucks, vehicles, or equipment on Culmback Dam for any period of time. The Culmback Dam is under video surveillance at all times and a 10 MPH speed limit while crossing the dam is strictly enforced.

G-375 Locked Gates

All gates on the Culmback Dam Road, CD-ML, and South Shore Road shall be kept closed and locked unless a watchman is staged at the gate. Permission to do otherwise may be granted by the Contract Administrator. No public access shall be permitted through gates where operations are active from Monday through Friday.

G-430 Open Fires

Purchaser shall not set or allow to be set by Purchaser's employees, agents, invitees and independent contractors, any open fire at any time of the year without first obtaining permission in writing from the Contract Administrator.

G-435 Water Quality Protection Specifications

All on site work associated with this Contract shall be done under the Water Quality Protection Specifications Clause S-5 and are hereby made part of this Contract.

G-440 Sanitary Facilities

The Purchaser shall provide and maintain portable toilets at active worksites during the operation of this Contract unless permission is granted to do otherwise by the Contract Administrator. Purchaser shall use these facilities. Toilet facilities are available at recreation sites around the Spada Lake Tract and the Purchaser may use these, as well.

G-445 Equipment Watchman

A watchman is required to be onsite at all times for security reasons. Location of watchman facility shall be approved by the Contract Administrator prior to move in.

G-450 Encumbrances

This Contract and Purchaser’s activities are:

a. Subject to easements for road use by others.

b. Subject to easement granted to the PUD from Washington State Department of Natural Resources (Easement #50-051889; Snohomish County Auditor File #9106280582).

c. Subject to easement supplement granted to the PUD from Washington State Department of Natural Resources (50-051889 Supplement).

SECTION P: PAYMENTS AND SECURITY

P-11 Initial Deposit

Purchaser shall pay the PUD **$1,000.00** as an initial deposit. This initial deposit shall be maintained throughout the Contract and may be used as a final payment. If the operating authority on this Contract expires or this Contract expires without Purchaser's payment of the full amount specified in Clause P-23, the initial deposit will be immediately forfeited to the PUD, and will be offset against Purchaser's remaining balance due. Any excess initial deposit funds not needed to ensure full payment of the Contract Price, or not needed to complete any remaining obligations of the Purchaser existing after Contract expiration, will be refunded to the Purchaser.

P-21 Payment for Forest Products

Purchaser agrees to pay the following rates per ton for forest products conveyed and cut or removed from the sale area.

Species	Payment Rate to PUD ($/ton)
Sawlogs (ALL SP.)	Biddable - $0.10 minimum
Pulp (ALL SP.)	$0.00

Species that are conveyed but are not listed in the table above shall be paid for at a rate to be negotiated by the Contract Administrator.

Utility logs, special cull and peelable cull logs of all species, included on loads of logs that are required to be removed and scaled per clause H-150, shall be hauled offsite.

P-40 Weighing and Scaling Costs

Purchaser agrees to pay for all scaling and weighing costs for logs and other products sold under this Contract. Purchaser also agrees to pay for all costs associated with the transmission and reporting of scale or weight data.

P-45 Guarantee of Payment

Purchaser will pay for forest products prior to cutting or will guarantee payment by posting an approved payment security. The amount of cash or payment security shall be determined by the PUD and shall equal or exceed the value of the cutting proposed by Purchaser.

P-52 Payment Procedure

If a third party Log and Load Reporting Service (LLRS) is required by this Contract, the PUD will compute and forward to the Purchaser statements of charges provided for in the Contract. Purchaser shall deliver payment to the PUD on or before the date shown on the billing statement.

Purchaser shall pay for forest products removed on a monthly basis. Payments will be submitted to the PUD or before the fourteenth of the month following the month in which the timber was removed or, according to an alternate payment schedule as approved by the PUD with at least one payment each month for timber removed. The alternate payment schedule, once approved by the PUD, shall become part of this Contract and may be changed only with written approval of the PUD.

Payment will be based on the Contract rate multiplied by the tons removed during the month or payment period. Included with the payment will be a summary report along with all related load tickets and the corresponding certified weight tickets for the payment period. The summary report will be generated using a computer spreadsheet and list the load tickets in ascending numerical order with the corresponding ticket number and weight or volume for each load.

P-70 Payment for Products: Damage, Theft, Loss, or Mismanufacture

Forest products included in this agreement which are destroyed, damaged, stolen, lost, or mismanufactured shall be paid for by Purchaser on demand of the PUD at the stumpage value of these products.

P-80 Payment Account Refund

Advance payments remaining on account above the value for the charges shall be returned to Purchaser within thirty (30) days following the final report of charges.

P-90 Performance Security

Purchaser agrees to furnish within thirty (30) days of the auction date, security acceptable to the PUD in the amount of **Five Thousand Dollars ($5,000.00)** that guarantees performance of all provisions of this Contract and payment of any damages caused by operations under this Contract or resulting from Purchaser's noncompliance with any rule or law. Purchaser shall not operate unless the PUD has accepted performance security. If at any time the PUD decides that this security has become unsatisfactory, Purchaser agrees to suspend operations and, within thirty (30) days of notification, to replace the security with one acceptable to the PUD.

P-100 Performance Security Reduction

The PUD may reduce the performance security after an operating release has been issued if the PUD determines that adequate security exists for any remaining obligations of Purchaser.

SECTION L: LOG DEFINITIONS AND ACCOUNTABILITY

L-10 Forest Products Conveyed

Forest products conveyed are all logs or parts of logs described by the 'Right to Remove Forest Products and Contract Area' (G-011) clause meeting the removal requirements listed in the 'Required Removal of Forest Products' (H-150) clause.

L-20 Short Logs - Peeler Blocks

Logs or parts of logs which are removed from the sale area that fail to meet the minimum gross length requirements shall be scaled and graded as short logs or peeler blocks. Such material shall be paid for at the forest products rates specified in this contract.

L-40 Utility/Pulp Logs

Utility logs are logs that meet the minimum utility log standards as described by the log scaling rules applicable for this contract. Utility logs that meet the cutting prescription may be hauled offsite with $0.00/ton owed to PUD, or cut and left onsite. If utility/pulp logs are left onsite, a utility/pulp log placement plan must be preapproved by the Contract Administrator.

L-60 Load Tickets

Purchaser shall complete and use load tickets as directed by the Contract Administrator and, if required, use other identification as directed by the PUD to ensure accounting of forest products removed from the sale area. A load ticket must be fixed, as designated by the Contract Administrator, to each truck and trailer load prior to leaving the landing.

Purchaser shall account for all load tickets issued by the Contract Administrator and return unused tickets at termination of the Contract, or as otherwise required by the Contract Administrator. Unused tickets not returned shall be subject to liquidated damages per clause D-030.

The PUD may also treat load tickets either not accounted for or not returned as lost forest products per clause P-070. All costs associated with computing the billings for lost forest products shall be borne by Purchaser.

L-71 Log and Load Reporting Service

This Contract requires the use of a PUD approved third party Log and Load Reporting Service (LLRS). Purchaser shall ensure log volume measurement data and/or load and weight data is received by the LLRS within 1 business day of logs being measured or weighed. Purchaser agrees to pay the LLRS for log and load data supplied to the PUD.

If during the term of this Contract, the PUD discontinues use of the LLRS, the PUD will notify the Purchaser in writing and the Purchaser will then be responsible to send log scale and/or weight information to the PUD.

L-080 Scaling Rules

Determination of volume and grade of any forest products shall be conducted by a state approved third party scaling organization and in accordance with the Westside log scaling and grading rules and Scribner Volume Table, revised July 1, 1972, contained in the Northwest Log Rules Eastside and Westside Log Scaling Handbook (developed and produced by the Northwest Log Rules Advisory Group) and in effect on the date of confirmation of this contract.

L-110 PUD Approval of Log Scaling and Weighing Locations

Forest Product measurement and weighing facilities required by this Contract must be approved by the PUD. Forest products sold under the Contract which require log scaling shall be scaled, measured, or counted by a PUD approved third party log scaling organization. Forest products sold under the Contract which require weighing shall be weighed at a location that meets Washington State Department of Agriculture approval.

Prior to forest products being hauled, the Contract Administrator must authorize in writing the use of PUD approved measurement and/or weighing facilities that are at or enroute to final destinations. Forest products from this sale shall be measured or weighed at facilities, which are currently approved for use by the PUD and are currently authorized for this sale. The PUD reserves the right to verify load volume and weights with PUD employees or contractors at the PUD’s own expense. The PUD reserves the right to revoke the authorization of previously approved measurement locations.

L-130 Conversion Factors

Forest products removed from the sale area that are not measured in units specified in the 'Payment for Forest Products' clause of this contract shall be converted to board feet using Washington Department of Natural Resources' standard conversion factors.

SECTION H: HARVESTING OPERATIONS

H-01 Operations Outside the Sale Boundaries

No operations shall occur outside the sale boundaries, as described within the Contract,

unless approved in writing by the PUD.

H-10 Cutting and Yarding Schedule

BARK SLIPPAGE: Cutting and yarding shall not be permitted during the bark slippage season unless the Purchaser provides a well written plan outlining mitigation measures and the plan is pre-authorized in writing by the Contract Administrator. This season is estimated to run from April 1 to July 1 but may vary depending on weather conditions.

MARBLED MURRELET: Timing restrictions apply to multiple units due to nearby marbled murrelet habitat. The attached Timber Sale Maps show areas where these timing restrictions apply. From April 1 through September 22, no operations of any kind are permitted in all or portions of Units 1, 2, 4, 5, 6, or 7. From April 1 through September 22, no operations of any kind are permitted in all or portions of Units 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, or 11 during the daily peak activity period (work cannot commence earlier than two hours after official sunrise, and must cease two hours before official sunset).

WEATHER/SITE CONDITIONS: PUD may suspend operations/haul at any time due to poor site conditions and/or weather.

H-11 Certification of Fallers and Yarder Operators

All persons engaged in the felling and yarding of timber must receive certification in writing from the Contract Administrator. Certification may be revoked when the Contract Administrator determines that non-compliance of leave tree selection criteria or cut tree selection criteria is occurring, or excessive damage to leave trees or skid trails is occurring.

Excessive damage for leave trees is defined in clause H-012.
Excessive damage for reserve trees is defined in clause H-013.
Excessive skid trail damage is defined in clause H-015 or H-016.
When leave tree damage exceeds the limits set forth in clause H-012, Purchaser shall be subject to liquidated damages (clause D-040).

When reserve tree damage exceeds the limits set forth in clause H-013, Purchaser shall be subject to liquidated damages (clause D-041).

H-12 Leave Tree Damage Definition

Leave trees are trees required for retention within the sale boundary. “Snag gaps” – clumps of man-made dead/dying trees and individual trees that have been topped – are present in the sale area and are marked with pink & black striped flagging and/or metal tags at breast height. Purchaser shall protect leave trees and snags from being cut, damaged, or removed during operations.

Leave tree damage exists when more than 5 percent of the leave trees are damaged in a unit and when one or more of the following criteria occur as a result of Purchaser's operation, as determined by the Contract Administrator:

a. A leave tree has one or more scars on its trunk exposing the cambium layer, which in total exceeds 20 square inches.

b. A leave tree top is broken or the live crown ratio is reduced below 30 percent.

c. A leave tree has more than 1/3 of the circumference of its root system injured such that the cambium layer is exposed.

If the Contract Administrator determines that a leave tree has been cut or damaged, the Purchaser may be required to pay liquidated damages for Excessive Leave Tree Damage as detailed in clause D-040.

Permission must be granted in writing from the Contract Administrator if the Purchaser seeks permission to cut a cable road, skid trail, or forwarder trail through a leave tree clump or snag gap.

H-16 Skid Trail Requirements

A skid trail is defined as an area that is used for more than three passes by any equipment.

Purchaser shall comply with the following during the yarding operation:

a. A skid trail shall not exceed 17 feet in width, including rub trees, or the average tree spacing width in the prescription – whichever is greater - unless pre-approved in writing by the contract administrator. Use existing cable corridors and skid trails where feasible. New cable corridors and skid trails are not to exceed 17 feet or the average tree spacing width in the prescription, whichever is greater.

b. Skid trails shall not cover more than 10 percent of the total acreage on one unit.

c. Location of the skid trails must be marked by Purchaser and approved by the Contract Administrator. Permission must be granted in writing from the Contract Administrator if the Purchaser seeks permission to cut a cable road, skid trail, or forwarder trail through a leave tree clump or snag gap.

d. Except for rub trees, skid trails shall be felled and yarded prior to the felling of adjacent timber.

e. Rub trees shall be left standing until all timber tributary to the skid trail has been removed.

f. Excessive soil damage is not permitted. Excessive soil damage is described in clause H-17.

g. Purchaser will not have more than two skid trails open to active skidding within a single unit at any one time. All other skid trails used for skidding timber will be closed.

h. Once a skid trail is closed, Purchaser will not reopen a skid trail unless approved in writing by the Contract Administrator.

i. Skid trails shall be covered with brush and water barred as needed at the time of completion of yarding. Skid trail junctions with roads shall be barricaded with coarse woody debris at the time of completion of yarding to prevent ATV and vehicle access.

Purchaser shall not deviate from the requirements set forth in this clause without prior written approval from the Contract Administrator.

H-17 Preventing Excessive Soil Disturbance

Operations may be suspended when soil rutting exceeds 12 inches as measured from the natural ground line. To reduce soil damage, the Contract Administrator may require water bars to be constructed, grass seed to be placed on exposed soils, or other mitigation measures at Purchaser's expense. Suspended operations shall not resume unless approval to do so has been given, in writing, by the Contract Administrator.

H-25 Timing Requirements for Timber Removal

All timber must be removed within 4 weeks of being felled.

H-30 Timber Falling

Trees shall be felled and logs shall be bucked to obtain the greatest practicable utilization of forest products and other valuable materials conveyed.

H-35 Fall Trees Into Sale Area

Trees shall be felled into the sale area unless otherwise approved by the Contract Administrator.

H-40 Purchaser Cutting Plan

Purchaser shall, as part of the plan of operations, prepare an acceptable cutting plan for the sale area. The cutting plan shall be approved by the Contract Administrator prior to beginning the cutting operation. A minimum 30-day notice is required prior to the start of operations, and a minimum 14-day notice is required prior to moving operations to a different road system.

H-50 Rub Trees

Trees designated for cutting along skid trails and cable corridors shall be left standing as rub trees until all timber that is tributary to the skid trail or cable corridor has been removed.

H-52 Branding and Painting

Purchaser shall provide a State of Washington registered log brand and a quality log marking paint for the purpose of branding and painting Forest Products prior to removal from the landing on this sale in a manner that meets the requirements of WAC 240-15-030(2).

For pulp loads purchased under a contract designated as export restricted, Purchaser shall brand at least 3 logs with legible brands at one end. Also, 10 logs shall be painted at one end with durable blue paint.

H-80 Snags and Non-Merchantable Trees Not to be Felled

Snags and non-merchantable trees not required to be felled for safety reasons shall be left standing except as specified in clause H-140.

H-110 Stump Height

Trees shall be cut as close to the ground as practicable. Stump height shall not exceed twelve (12) inches in height measured on the uphill side, or 2 inches above the root collar, whichever is higher. Trees with major defect at the stump may be cut above the defect and left at that height.

H-120 Harvesting Equipment

Forest products sold under this contract shall be harvested and removed using cable and ground-based equipment, with cable-tethered equipment limited to sustained slopes of 75 percent or less, self-leveling equipment limited to sustained slopes of 65 percent or less, and all other ground-based equipment limited to sustained slopes of 30 percent or less. Authority to use other equipment or to operate outside the equipment specifications detailed above must be approved in writing by the Contract Administrator.

H-130 Hauling Restrictions

The PUD reserves the right to shut down haul under the following conditions:

(a) Emergency repair to PUD facilities.

(b) During periods of freezing and thawing weather that may result in road damage.

(c) During periods of wet weather where there is potential for sediment delivery to streams and water bodies.

(d) State of Emergency declaration or increased risk of terrorist action as declared by authorized government authority.

H-140 Special Yarding Requirements

Purchaser shall accomplish the following during the yarding operations:

(a) All old growth stumps and logs shall be left undisturbed as much as possible.

(b) Shovel roads and skid trails shall be located to avoid brushy areas, old down logs, and marked snag gaps and leave tree clumps.

(c) Shovel logging shall be done in accordance with the Snohomish PUD Shovel Logging Specifications (see H-220) and incorporated herein by reference.

(d) Purchaser must comply with the following specification during yarding:

(i) Skid trails shall not exceed 17 feet in width, including rub trees, or the average tree spacing width in the prescription – whichever is greater - unless pre-approved in writing by the Contract Administrator.
(ii) Deviations from designated skid trail locations must be pre-approved by the Contract Administrator.
(iii) Trees within skid trails shall be felled and yarded prior to the felling of adjacent timber.
(iv) Excessive skid trail damage is not permitted. Skid trail damage is considered excessive when more than 10 percent of the active trail has ruts over 4 inches in depth.
(v) Skid trails will be water barred at the time of completion of yarding, if required by the Contract Administrator.
(vi) Rub trees along the skid trail shall be left standing until all timber tributary to the skid trail has been removed.

(e) Wet areas shall be crossed in only one location and must be pre-approved by the Contract Administrator. Trees around the wet areas shall be felled away from these areas.

(f) All trees marked with blue paint, or pink and black candy stripe flagging and/or metal tags, shall be left standing. If any marked tree must be felled due to safety or operational reasons, they may be felled but must be left un-bucked on site. Permission to do otherwise must be granted in writing by the Contract Administrator.

(g) Slash and unmerchantable material must be lopped and scattered in the unit; no slash piles or accumulations of woody debris are permitted on landings or road rights-of-way. Permission to do otherwise must be approved by the Contract Administrator.

H-141 Additional Harvest Requirements

Purchaser shall accomplish the following during the harvest operations:

a) A copy of the timber sale map, contract, FPA, and Unanticipated Discovery Plan shall be present on site during active operations.

b) Purchaser is responsible for all notification signage relating to logging and/or road construction activity at the Purchaser's expense.

c) No logging or haul is permitted on weekends (Saturday & Sunday).

d) Unit 20 is optional. The remainder of the sale area must be thinned unless approval is granted in writing by the Contract Administrator.

e) The designated recreation trail in Unit 25 shall be protected during operations and cleared of any slash/debris when unit is completed.

H-150 Required Removal of Forest Products

Purchaser shall remove from the sale area and present for scaling or weighing all forest products conveyed in the G-010 clause that meet the following minimum dimensions:

Species	Net bd ft	Log length (ft)	Log dib
Conifer	10	12	5

The PUD may treat failure to remove forest products left on the sale area that meet the above specifications as a breach of this Contract. At the PUD's option, forest products that meet the above specifications and are left on the sale area may be scaled for volume or measured and converted to weight by the PUD or a third party scaling organization and billed to Purchaser at the Contract payment rate. All costs associated with scaling, measuring and computing the billing will be borne by the Purchaser.

The PUD may treat mismanufacture as a breach of this Contract. At the PUD's option, forest products that are left on the sale area may be scaled for volume by the PUD or a third party scaling organization and billed to Purchaser at the Contract payment rate. All costs associated with scaling and computing the billing will be borne by Purchaser.

H-160 Mismanufacture

Mismanufacture is defined as forest products remaining on the sale area that would have met the specifications in clause H-150 if bucking lengths had been varied to include such products.

H-190 Completion of Settings

Operations begun on any setting of the sale area shall be completed before any operation begins on subsequent settings unless authorized in writing by the Contract Administrator.

H-220 Protection of Residual or Adjacent Trees

Purchaser shall take necessary care to avoid damage to residual or adjacent trees. Purchaser shall comply with the following:

SNOHOMISH PUD
SHOVEL LOGGING SPECIFICATIONS

A. Only low ground pressure (9 lbs. P.S.I) track mounted machines with hydraulic boom and grapple shall be allowed.

B. Shovel must be large enough to pick up one end of the largest log 30 feet from the center of the machine.

C. When yarding and loading operations are going on simultaneously, an additional shovel shall be required for loading trucks to avoid extra shovel trips to the landing.

D. No more than one round trip per shovel road is authorized unless permission to do otherwise is granted by the Contract administrator.

E. Shovel roads shall be pre-planned and approved in writing prior to yarding. Roads shall be a minimum of 60 feet apart unless otherwise approved in writing.

F. Shovel logging shall not be permitted on slopes over 30% unless permission to do so is granted in writing.

G. Shovel operations shall be suspended during periods of wet weather to avoid soil compaction, rutting, or puddling.

H. Logging debris created from the operation shall be removed from natural watercourses concurrently with yarding.

I. Shovel shall stay a minimum of 20 feet from all watercourses and areas of wet or soft soils.

J. All merchantable logs containing 10 board feet net scale, minimum top diameter of 5 inches and minimum length of 20 feet shall be yarded concurrently with the shovel operation.

K. Within the area to be shovel logged, all logging debris concentrations - except large logs - shall be scattered in the unit or piled (on non-plantable spots such as new stumps, etc., as much as possible). Debris shall not be piled on old logs or stumps, high stumps, or wet areas. Slash piles should be between 5 to 10 feet tall.

L. On return trip to road, shovel shall loosen compacted debris and soil under tracks with grapple to leave soil loose and aerated.

M. Additional site-specific recommendations may be included on case-by-case basis.

N. Shovel yarding approval is only provisional and shall be withdrawn if these specifications, in the opinion of the Contract Administrator, are not being followed.

O. Old down logs, cull logs and stumps shall be left undisturbed whenever possible.

SECTION C: CONSTRUCTION AND MAINTENANCE

C-40 Road Plan

Road construction and associated work provisions of the Road Plan for this sale, dated 03/03/2026, are hereby made a part of this Contract.

C-50 Purchaser Road Maintenance and Repair

Purchaser shall perform work on all gravel roads used to maintain proper drainage and to keep the road surface smooth and crowned. Other than Sultan Basin Road, all gravel roads on PUD lands used shall meet the original construction or reconstruction specifications at Contract termination. Other than Sultan Basin Road, all gravel roads used shall be left in the condition that exists at the time the plan of operations is approved (i.e. returned to prehaul conditions).

C-80 Landing Locations and Clean-up

Landings shall be located and marked by the Purchaser and approved by the Contract Administrator prior to construction. Upon completion of use, landing debris and slash shall be dispersed in the harvest units. Slash piles and/or accumulations of woody debris are not permitted on landings or road rights-of-way. Permission to do otherwise must be approved by the Contract Administrator.

C-90 Water Bars

Purchaser shall, as directed by the Contract Administrator, construct water bars across haul roads, skid trails and fire trails as necessary to control soil erosion and water pollution.

SECTION S: SITE PREPARATION AND PROTECTION

S-1 Emergency Response Plan

An Emergency Response Plan (ERP) shall be provided to the Contract Administrator containing but not limited to, valid contact numbers and procedures for medical emergencies, fire, hazardous spills, forest practice violations and any unauthorized or unlawful activity on or in the vicinity of the sale area. The Contract Administrator and the PUD shall be promptly notified whenever an incident occurs requiring an emergency response.

The ERP must be presented for inspection at the prework meeting and kept readily available to all personnel, including subcontractors, on site during active operations.

S-5 Operations in Watershed

Purchaser shall adhere to all Snohomish PUD Water Quality Protection Specifications when operating inside the Spada Watershed in all units. See below.

SNOHOMISH PUD
WATER QUALITY PROTECTION SPECIFICATIONS

I. DESCRIPTION

Water from Spada Reservoir is used to provide drinking water for the majority of Snohomish County residents. The Purchaser shall use EXTREME care to protect water quality in the watershed.

REGULATIONS

A. Spada Lake and its tributaries are classified as "AA", a designation reserved for very high quality waterways. No discharge of any waste or wastewater will be permitted to the reservoir or its tributary streams.

B. The Purchaser shall comply with regulations from the Department of Health, Rules and Regulations of the State Board of Health Regarding Public Water Systems (WAC 246-290) and Department of Ecology Water Quality Standards for Waters of the State of Washington (WAC 173-201).

II. CONTRACTOR REQUIREMENTS

A. Compliance. The Purchaser shall comply with the restrictions, requirements and methods listed below and it shall be the Purchaser's responsibility to ensure that workers are fully aware of the importance of maintaining high water quality in the watershed. All workers

shall be familiar with these water quality protection specifications and understand that violation may be grounds for dismissal and/or Contract termination.

1. Site Requirements. The Purchaser shall, where applicable, divert clean water around construction sites and yard areas to reduce the amount of water subject to contamination. Temporary ditches, culverts and dikes may be used. Purchaser shall disturb areas no larger than necessary for work yards and construction areas.

2. The Purchaser shall not discharge waste of any type into the Spada Reservoir or its tributaries.

3. Purchaser shall regularly instruct workers of the importance of maintaining sanitary conditions in the watershed and complying with specifications as they pertain to water quality protection. The Purchaser shall make a copy of these specifications available to all workers in the watershed.

4. Purchaser shall not draw, dip or pump water from the Reservoir or its tributaries for drinking, culinary or other construction purposes without the written approval of the PUD's Contract Administrator.

5. Domestic animals are not permitted on the work site or in vehicles.

6. Swimming or other water contact activities are not permitted in the watershed.

7. To the extent practical refueling and servicing of construction equipment shall be performed outside the watershed. When necessary to bring or dispense fuel, lubricants or other petroleum products into the watershed to service construction equipment, it shall be accomplished with the use of a designated refueling truck which has been suitably equipped for this purpose. The location for refueling and servicing of construction equipment shall be approved by the PUD's Contract Administrator prior to starting construction work. The cleanliness, condition, suitability and use of the refueling truck shall be subject to review by the PUD's Contract Administrator.

8. During transfer of fuels from one container or vehicle to another, a competent operator shall be on-site to oversee the operation. Dispensing devices shall automatically shut off when the container is full. No overflows or spillage will be allowed. Condensation siphoned from fuel tanks shall not be discharged onto the ground or the surface waters. It shall be collected and disposed of off-site by the purchaser. Storage tanks shall be structurally capable of holding the full contents without leakage. Excessive rust, perforations, holes, splits, *et cetera*, on tanks will not be permitted. The fuel trucks shall be labeled or marked as such and shall carry a minimum of one 5-gallon bucket with lid, one shovel and oil absorptive pads for use in the event of a spill. Fueling of equipment shall not take place where spillage could contaminate the water of Spada Lake, tributaries and streams except as approved by the PUD's Contract Administrator.

9. All stationary equipment shall be stored in a designated storage and maintenance area. This includes generators, compressors and engine-driven pumps in addition to other

equipment while not in use such as backhoes, loaders, dozers, trucks and other construction vehicles. Each equipment item to be left overnight shall have an oil absorbent pad placed beneath it and reasonable measures taken to protect against vandalism.

10. Soiled pads shall be replaced as often as necessary to preclude runoff of water containing sheens. Pads need to be picked up immediately when equipment is moved. Also, when the equipment is moved, any contaminated soil beneath it shall be excavated to a minimum depth of 6 inches and disposed of off-site by the Purchaser.

11. Petroleum products or waters containing sheens or rainbows shall not be discharged or be permitted to drain into the Reservoir. Spillage shall be mopped up immediately. Absorbent material and spillage shall be disposed of off-site by the Purchaser.

12. In the event of repair or routine maintenance such as oil changes or adjustment of hydraulic gear, equipment shall be moved to a designated storage and maintenance location agreed to by PUD's Contract Administrator.

13. Particular attention shall be given to housekeeping practices in the watershed. The area shall be kept free of trash, oily rags, empty containers etc. All extraneous or partially full containers of petroleum products or other chemicals shall be removed from the watershed at the end of each day.

14. Sanitary facilities provided by the Purchaser and rubbish containers provided by the Purchaser shall be located at all work sites and all locations where workers gather prior to start of work or shift changes. Sanitary facilities shall be maintained by the Purchaser in a clean and sanitary condition and shall be serviced regularly to prevent spillage or undue odors. All personnel shall be required to exclusively use the sanitary facilities. Notice shall be given that offenders will be dismissed and shall not be rehired for work on this Contract. Rubbish containers will have watertight lids, will be lined with plastic and will not be permitted to overflow. Whenever possible, sanitary facilities and rubbish containers shall be located, so that should a spill occur, it will drain away from the Reservoir. No refuse or containers shall be left in the forest, on landings, or on roads.

15. Stockpiles of construction materials such as explosives and other potential pollutants shall be stored and protected from the effects of weather and surface runoff.

16. All equipment must be cleaned prior to entering the Spada Lake watershed and free of all weed propagules before being brought on-site.

B. Earthwork.

1. The Purchaser shall exercise judgment and skill in carrying out all earthwork-related activities due to the turbidity threat they pose to water quality. All work shall be within accepted standards of good practice for environmentally sensitive locations and as specified.

2. Constructed slopes whether temporary or permanent shall be constructed as shown on the Road Plan and/or as dictated by safe practice.

3. The Purchaser shall conduct work activities under the premise than an intense precipitation event can occur at any time and preventive measures should be taken to protect against erosion. Temporary erosion control shall be installed prior to start of earthwork activities.

4. Drainage shall be arranged to avoid concentration of runoff. Preference shall be given to longer, less direct drainage paths to existing waterways utilizing overland flow through undisturbed areas.

C. Emergency Response.

1. Any condition causing or threatening to cause chemicals, petroleum products or large amounts of turbid water to enter the Reservoir or natural streams, or an accident such as a vehicle entering the Reservoir will be considered an emergency condition and actions to stop or remove the violating conditions shall be taken immediately. Purchaser shall contact PUD's Contract Administrator or Water Filtration Plant Personnel immediately. Purchaser shall have a list of emergency phone numbers readily available at all times. This list shall be coordinated with the PUD to ensure the inclusion of PUD required emergency phone numbers.

2. The Purchaser shall provide the PUD's Contract Administrator with a list of personnel, their addresses and telephone numbers who can be contacted if a spill occurs during the Purchaser's absence.

3. The Purchaser shall immediately notify the Contract Administrator or Snohomish PUD Security at 425-783-8787 if an emergency condition occurs and maintain contact until the matter is corrected. Containment and clean-up measures are subject to review and approval by the PUD's Contract Administrator.

4. Purchaser shall provide and maintain at each active worksite an Emergency Oil spill kit with enough capacity to effectively control a container or equipment leak and to contain & recover a hazardous materials spill equal to the largest single on-site storage container volume. The Spill Kit shall be kept in a clearly labeled, waterproof container and include (but not limited to) the following items in appropriate quantities:

- Shovel
- Screened pitchfork
- Flashlight including batteries
- 5-gallon containers with lids
- Oil absorbent pads/oil absorbent pellets
- 30 gallon Plastic garbage bags

S-10 Fire Hazardous Conditions

Purchaser acknowledges that operations under this Contract may increase the risk of fire. Purchaser shall conduct all operations with the use of the highest degree of care to prevent uncontrolled fires from starting.

In the event of an uncontrolled fire, Purchaser agrees to provide equipment and personnel working at the site to safely and effectively engage in first response fire suppression activity.

Purchaser's failure to effectively engage in fire-safe operations is considered a breach and may result in suspension of operations.

S-50 Cessation of Operations for Low Humidity

During the "closed season", as determined by Washington State Department of Natural Resources, when the humidity is thirty percent (30%) or lower on the sale area, all operations must cease.

S-60 Pump Truck or Pump Trailer

Purchaser shall provide a fully functional pump truck and/or pump trailer equipped to meet the specifications of WAC 332-24-005 and WAC 332-24-405 during the "closed season" or as extended by the PUD and shall provide trained personnel to operate this equipment on the sale area during all operating periods.

S-80 Fire Watchman

During the "closed season" or as extended by the PUD, on days when the class of day is 3L or above, Purchaser shall provide a watchman for an additional one hour more than required by WAC 332-24-005 and WAC 332-24-405. Watchman shall be capable of operating fire equipment and taking effective action upon any fire on the operation.

S-130 Hazardous Materials

a. Hazardous Materials and Waste - Regulatory Compliance

Purchaser is responsible for understanding and complying with all applicable local, state, and federal hazardous material/waste laws and regulations for operations conducted under this Contract. Such regulations pertain to, but may not be limited to, hazardous material storage, handling and transport, personnel protection, release notification and emergency response, cleanup and waste disposal. Purchaser shall be responsible for restoring the site in the event of a spill.

b. Hazardous Materials Spill Prevention

All operations shall be conducted in a manner that avoids the release of hazardous materials, including petroleum products, into the environment (water, air or land).

c. Hazardous Materials Spill Containment, Control and Cleanup

If safe to do so, Purchaser shall take immediate action to contain and control all hazardous material spills. Purchaser shall ensure that enough quick response spill kits capable of absorbing 4 to 6 gallons of oil, coolant, solvent or contaminated water are available on site to quickly address potential spills from any piece of equipment at all times throughout active operations. If large quantities of bulk fuel/other hazardous materials are stored on site, Purchaser must be able to effectively control a container leak and contain & recover a hazmat spill equal to the largest single on site storage container volume.

d. Hazardous Material Release Reporting

Releases of oil or hazardous materials to the environment must be reported according to the State Department of Ecology. It is the responsibility of the Purchaser to have all emergency contact information readily available and a means of remote communication for purposes of quick notification. In the event of a spill, the Purchaser is responsible for notifying the following:

Appropriate Department of Ecology regional office (contact information below).

PUD Contract Administrator, Doug Cochran – (360)631-7606 ext. 4
PUD Project Lead, Mike Schutt - (425)210-5816 or (425)977-9434
Snohomish County PUD Security 24 hrs. a day at 425-783-8787.

DOE - Northwest Region:
1-425-649-7000
(Island, King, Kitsap, San Juan, Skagit, Snohomish, and Whatcom counties)

S-131 Refuse Disposal

All Purchaser generated refuse, including petroleum products, shall be removed from PUD Property in accordance with the PUD's Water Quality Protection Specifications. All material must be removed prior to termination of this Contract. No refuse shall be burned, buried or abandoned on any forest lands. All refuse shall be transported in a safe manner and all loads or loose materials shall be covered/secured such that these waste materials are properly contained during transport.

SECTION D: DAMAGES

D-10 Liquidated Damages

These clauses in the DAMAGES section of this Contract provides for payments by Purchaser to the PUD for certain breach of the terms of this Contract. These payments are agreed to as liquidated damages and not as penalties. They are reasonable estimates of anticipated harm to the PUD caused by Purchaser's breach due to the difficulty of proving loss and the inconvenience or non-feasibility of obtaining an adequate remedy. They also recognize Purchaser's need for more certainty in assessing its responsibilities under this Contract.

D-21 Failure to Remove Forest Products

Purchaser's failure to remove all or part of the forest products sold in this agreement prior to the expiration of the Contract term results in substantial injury to the PUD. The value of the forest products sold at the time of breach is not readily ascertainable. Purchaser's failure to perform disrupts the PUD's management plans, the actual cost of which is difficult to assess. A resale involves additional time and expense and is not an adequate remedy. Therefore, Purchaser agrees to pay the PUD as liquidated damages a sum calculated using the following formula:

$$LD = (0.35 \times V) - ID - P + C + A$$

Where:

LD = Liquidated Damage Value

V = The unremoved value at the date of breach of Contract. The value is determined by subtracting the removal tonnage to date from the cruised tonnage multiplied by the Contract bid rates.

ID = Initial Deposit paid at date of Contract that has not been applied to timber payments

P = Advance payments received but not yet applied to specific Contract requirements.

C = Charges assessed for Contract requirements completed prior to breach of Contract but not paid for

A = Administrative fee of Two Thousand Five Hundred Dollars ($2,500.00)

The above formula reflects the Purchaser's forfeiture of the initial deposit in accordance with clause P-11 by deducting the initial deposit from the amount owed. In no event shall the liquidated damages be less than zero. Interest on the liquidated damage is owed from the date of breach until final payment, calculated using the following formula:

$$\text{Interest } (I) = r \times LD \times N$$

Where:

LD = Liquidated Damage Value
I = Interest
r = One percent (1%) per month
N = Number of calendar days from date of breach to time of payment

D-30 Inadequate Log Accountability

Removal of forest products from the sale area without adequate branding and/or valid load tickets attached to the load and scaling forest products in a location other than the facility approved by the PUD can result in substantial injury to the PUD. Failure to properly account for loads and scaling and/or weighing information can result in loss to the PUD. The potential loss from not having proper branding, ticketing, scaling and/or weighing location and accountability is not readily ascertainable. Purchaser's failure to perform results in a loss of log weight and scale accountability, increases the potential for unauthorized removal of forest products, and increases the PUD's administration costs, the actual costs of which are difficult to assess.

Enforcement actions for unauthorized removal of forest products for each improperly branded load, improperly ticketed load, lost or unaccounted for tickets, or use of a facility not authorized for this sale or improper submission of scaling data are impractical, expensive, time consuming and are not an adequate remedy. Therefore, Purchaser agrees to pay the PUD, as liquidated damages, a sum of $100 each time a load of logs does not have branding as required in the Contract, $250 each time a load of logs does not have a load ticket as required by the Contract, $250 each time a load ticket has not been filled out as required by the plan of operations, $250 each time a load is weighed or scaled at a location not approved as required under this Contract, $250 each time a log ticket summary report is not submitted properly, and if a third party Log and Load Reporting Service is required, $250 each time scaling or weight data is not properly submitted to the Log and Load Reporting Service per clause L-071, and $250 each unused ticket that is not returned to the PUD, for any reason.

D-40 Leave Tree Excessive Damage

When Purchaser's operations exceed the damage limits set forth in clause H-012, Leave Tree Damage Definition, the trees damaged result in substantial injury to the PUD. The value of the damaged leave trees at the time of the breach is not readily ascertainable. Therefore, Purchaser agrees to pay the PUD as liquidated damages at the rate of $250.00 per tree for all damaged trees in the sale area.

[Signatures on following page]

IN WITNESS WHEREOF, the Parties hereto have entered into this Contract.

PUBLIC UTILITY DISTRICT NO. 1

OF SNOHOMISH COUNTY

Signature_____

Title _____

Date_____

PURCHASER

Signature_____

Title _____

Date _____

BUSINESS OF THE COMMISSION

Meeting Date: June 9, 2026 **Agenda Item:** 5C

TITLE

Consideration of a Resolution Authorizing the Chief Operating and Legal Officer, Distribution and Engineering Services, of Public Utility District No. 1 of Snohomish County to Execute Amendment No. 4 to a Lease Agreement With BNSF Railway Company

SUBMITTED FOR: Items for Individual Consideration

Telecommunications	Nick Johnston	4415
Department	*Contact*	*Extension*

Date of Previous Briefing: June 9, 2026
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:

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

On June 16, 1999, the District and Burlington Northern Railroad Company (the predecessor in interest to BNSF Railway Company) entered into a Lease Agreement ("Lease") whereby the District leased a portion of said entity's facilities located on Deer Flats Mountain, Snohomish, Washington ("BNSF Site").

The parties subsequently executed Amendment No. 1 to the Lease with an effective date of September 30, 2006, to allow the District to modify and add to its equipment at the BNSF Site.

On February 16, 2019, the parties executed Amendment No. 2 to the Lease to allow the District to further modify its equipment at the BNSF Site.

On September 23, 2025, the District Board of Commissioners passed Resolution No. 6241, ratifying the Lease and Amendments Nos. 1 and 2, and authorizing Amendment No. 3 to the Lease to extend the term of the Lease and allow the District to modify its equipment at the BNSF Site.

Staff from the District and BNSF have reached tentative agreement on a fourth amendment to the Lease (Amendment No. 4) desires to further modify its equipment at the BNSF Site.

RECOMMENDATIONS/FUTURE ACTIONS:

Staff recommend that the District Board of Commissioners pass the attached resolution authorizing Lease Amendment No. 4.

List Attachments:
Resolution
Attachment 1

RESOLUTION NO. _____

A RESOLUTION Authorizing the Chief Operating and Legal Officer, Distribution and Engineering Services, of Public Utility District No. 1 of Snohomish County to Execute Amendment No. 4 to a Lease Agreement With BNSF Railway Company

WHEREAS, on or about June 16, 1999, the District and Burlington Northern Railroad Company (the predecessor in interest to BNSF Railway Company) entered into a Lease Agreement ("Lease") whereby the District leased a portion of said entity's facilities located on Deer Flats Mountain, Snohomish, Washington ("BNSF Site"); and

WHEREAS, the parties executed Amendment No. 1 to the Lease with an effective date of September 30, 2006, to allow the District to modify and add to its equipment at the BNSF Site; and

WHEREAS, on or about February 16, 2019, the parties executed Amendment No. 2 to the Lease to allow the District to further modify its equipment at the BNSF Site; and

WHEREAS, on September 23, 2025, the District Board of Commissioners passed Resolution No. 6241, ratifying the Lease and Amendments Nos. 1 and 2, and authorizing Amendment No. 3 to the Lease to extend the term of the Lease and allow the District to modify its equipment at the BNSF Site; and

WHEREAS, staff from the District and BNSF have reached tentative agreement on a fourth amendment to the Lease (Amendment No. 4) desires to further modify its equipment at the BNSF Site; and

WHEREAS, District staff recommend that the Commission authorize Lease Amendment No. 4; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Public Utility District No. 1 of Snohomish County that the Chief Operating and Legal

Officer, Distribution and Engineering Services, of Public Utility District No. 1 of Snohomish County, is hereby authorized to execute Lease Amendment No. 4 to the Lease Agreement with BNSF in substantially the form attached hereto as Attachment 1; provided that the final form of Amendment No. 4 is subject to the review and approval of the District's Deputy Counsel or her designee.

PASSED AND APPROVED this 9th day of June 2026.

_____
President

_____
Vice-President

_____
Secretary

AMENDMENT NO. 4
TO LEASE AGREEMENT

THIS AMENDMENT NO. TO LEASE AGREEMENT ("Amendment") is made and entered into by and between Public Utility District No. 1 of Snohomish County ("District"), a municipal corporation of the State of Washington, and BNSF Railway Company ("BNSF"), a corporation organized and existing under the laws of the State of Delaware. The District and BNSF are also referred to herein individually as "Party" and collectively as "Parties."

WHEREAS, on or about June 16, 1999, the District and Burlington Northern Railroad Company ("BNRR"), the predecessor in interest to BNSF, entered into a Lease Agreement ("Agreement") whereby the District leased as portion of BNSF' facilities located on Deer Flats Mountain, Snohomish, Washington ("BNSF Site").

WHEREAS, the Parties executed Amendment No. 1 to the Agreement with an effective date of September 30, 2006, to allow the District to modify and add to its equipment at the BNSF Site.

WHEREAS, on or about February 16, 2019, the Parties executed Amendment No. 2 to the Agreement to allow the District to further modify its equipment at the BNSF Site.

WHEREAS, on May 26, 2026, the Parties executed Amendment No. 3 to the Agreement to reinstate the Agreement, extended the terms through June 30, 2029, and allow the District to further modify its equipment at the BNSF Site.

WHEREAS, the District desires to further modify its equipment at the BNSF Site

NOW, THEREFORE, in consideration of the covenants contained herein, and for other good and valuable consideration, the District and BNSF agree to amend the Agreement as follows:

1. BNSF hereby grants the District, at District's cost and expense, the right to modify its existing equipment as described in attached and incorporated Exhibit A. In the event of a conflict between the equipment shown in the Agreement and prior amendments and the equipment described in Exhibit A, Exhibit A shall control.

2. As consideration for the right to modify its existing equipment at Lessor's Premises, the Fee due annually shall be increased by Two Thousand Four Hundred Dollars ($2,400), which amount shall also be subject to the Fee adjustments specified in said Lease.

3. The terms and conditions of the Agreement and the recitals above are incorporated herein by this reference, and capitalized terms used in this Amendment No. 4 shall have the same meanings such terms are given in the Agreement. Except as specifically set forth herein, this Amendment No. 4 shall in no way modify, alter or amend the remaining terms of the Agreement and prior amendments, all of which are ratified by the Parties and shall remain in full force and effect. To the extent there is any conflict between the terms and conditions of the Agreement and prior amendments and this Amendment No. 4, the terms and conditions of this Amendment No. 4 will govern and control.

4. The persons who have executed this Amendment No. 4 represent and warrant that they are duly authorized to execute this Amendment in their individual or representative capacity as indicated.

IN WITNESS WHEREOF, this Amendment No. 4 to the Agreement has been executed as of the date and year last written below by the Parties hereto ("Effective Date").

(*Signatures on Following Pages*)

PUBLIC UTILITY DISTRICT
NO. 1 OF SNOHOMISH COUNTY

By:_____
Colin Willenbrock, Chief Operating and Legal Officer
Distribution & Engineering Services

Date:_____

STATE OF WASHINGTON)
) Notary for the District
COUNTY OF SNOHOMISH)

I certify that I know or have satisfactory evidence that Colin Willenbrock is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Chief Operating and Legal Officer, Distribution & Engineering Services, of Public Utility District No. 1 of Snohomish County to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____

_____
(Notary Signature)

_____
(Print Name)

NOTARY PUBLIC in and for the State
of Washington, residing at _____
My appointment expires _____.

BNSF Railway Company

By:_____

Name:_____

Title:_____

Date:_____

STATE OF TEXAS)
)
COUNTY OF TARRANT)

Notary for the BNSF

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the _____of BNSF Railway Company to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____

_____
(Notary Signature)

_____
(Print Name)

NOTARY PUBLIC in and for the State
of Texas, residing at _____
My appointment expires _____.

Exhibit A

TOWER SITE LEASE / COLOCATION APPLICATION

APPLICATION TYPE:	Application for Colocation Modification	**DATE:**	3/26/2026
IF A MODIFICATION, PLEASE PROVIDE EXISTING BNSF AGREEMENT NUMBER (if known):	BF10336		

APPLICANT INFORMATION

REQUIRED	NOTICE:	BILLING:	COPY TO:
APPLICANT NAME	Public Utility District No.1 of Snohomish County	same	
ADDRESS	1802 75th Street		
CITY, STATE, ZIP	Everett, WA, 98203		
Attention:	Nick Johnston	same	
Telephone:	425-713-4415		
Email:	NAJohnston@Snopud.com		
Applicant's State of Incorporation:		Corporation Type: Partnership, LLC, etc:	

APPLICANT CONTACT INFORMATION

REQUIRED	NAME & TITLE:	PHONE:	EMAIL ADDRESS:
Site Acquisition Contractor:			
Real Estate Manager:			
RF Engineer:	Scott Cashmore	425-582-1063	swcashmore@snopud.com
Tenant Construction Manager:	Nick Johnston	425-713-4414	NAJohnston@Snopud.com
Lessee Signatory:	Nick Johnston	425-713-4415	NAJohnston@Snopud.com
24-hour Emergency Contact (NOC):	Customer Service (24hr) Telecom General (business Hours)	425-783-1000 425-783-5505	
Other:			

SITE INFORMATION (or Search Ring)

SITE NAME:	Index	BNSF SITE # (if known):	WA0005771	BNSF SITE NAME (if known):	Deer Creek Flats		
SITE ADDRESS:	Deer Creek FlatsMountain, Reiter Road, SEC HE 18, T 27 N, R 10 T.W .H						
CITY:	(Near) INDEX	STATE:		ZIP CODE:		COUNTY:	
COORDINATES (NAD 83):	LAT: 47-56-66 N	LONG:	121-34-42 W	TOWER TYPE:	Self-Support	EXISTING HEIGHT:	120
Search Ring Radius (in miles) from Lat/Long:							

STRUCTURE-MOUNTED EQUIPMENT

This information will be included in the agreement exhibit. Please include combined (existing and new) equipment space requirements.
Model numbers must be provided for the structural analysis.

Antenna Equipment

ANTENNA DESCRIPTION	900 MHz TX (New)	900 MHz RX (Existing)	VHF TX/RX (Existing)		Equipment to be Removed
Manufacturer	Sinclair	DB Spectra	RFS		
Model Number	SE414-SWBPALDF(D00)_R160	DS9A6P36D3D	SNT1502F2		
Antenna Quantity Per Sector	1	1	1		
Antenna Type	Panel	Omni	Omni		
Antenna Dimensions (HxWxD) in inches	53" x 25" x 8.5"	12.2' x 3"	5' x 2.5"		
Weight (lbs)	12.5	31	12		
Antenna Centerline (RAD) (in feet AGL)	65	76	79.5		
Mount Height (in feet AGL)	70	70	77		
Mount Type	6 foot standoff (same RX)	6 foot standoff	3 foot standoff		
Mount Model #	Andrew 34300-5 (same RX)	Andrew 34300-5	Microflect 83100		
Dual/Multi-Mode/Band	No	No	No		
Orientation or Azimuth(s) (in degrees)	316	0	0		

Antenna Feed Lines

	900 MHz P25 TX (New)	900 MHz RX (Existing)	VHF TX/RX (Existing)	ANTENNA 4 or SECTOR 4	Equipment to be Removed
Feed Line Type(s)	AVA7-50	AVA7-50	AVA5-50		
Feed Line Diameter(s)	1-5/8"	1-5/8"	7/8"		
Feed Line Quantity per Sector	1	1	1		
Feedline Mount Location	Leg	Leg	Leg		
Conduit or Innerduct Type & Diameter					

Down Tilt / Remote Electrical Tilt (RET)						
	ANTENNA 1 OR SECTOR 1	ANTENNA 2 OR SECTOR 2	ANTENNA 3 OR SECTOR 3	ANTENNA 4 or SECTOR 4	Equipment to be Removed	
Down Tilt Type						
RET Cables (to ground) Quantity per Sector						
RET Cable Diameter						
Cable Mount Location						
Other Cables / Feed Lines						
	SECTOR 1	SECTOR 2	SECTOR 3	SECTOR 4	Equipment to be Removed	
Cable / Feed Line Type(s)	LDF4-50	LDF4-50				
Feed Line Diameter(s)	1/2"	1/2"				
Feed Line Quantity per Sector	1	1				
Feedline Mount Location	Leg	Leg				
Amplifiers / Diplexers						
	SECTOR 1	SECTOR 2	SECTOR 3	SECTOR 4	Equipment to be Removed	
Manufacturer						
Model Number						
Quantity of Each Type						
Dimensions (HxWxD) in inches						
Weight (lbs)						
Mount Height (in feet AGL)						
Mount Location						
Remote Radio Units (Structure Mounted)						
	SECTOR 1	SECTOR 2	SECTOR 3	SECTOR 4	Equipment to be Removed	
Manufacturer						
Model Number						
Quantity of Each Type						
Dimensions (HxWxD) in inches						
Weight (lbs)						
Mount Height (in feet AGL)						
Mount Location						
Other Tower/ Structure Mounted Equipment						
	SECTOR 1	SECTOR 2	SECTOR 3	SECTOR 4	Equipment to be Removed	
Equipment Type						
Manufacturer						
Model Number						
Quantity						
Dimensions (HxWxD) in inches						
Weight (lbs)						
Mount Location						
Microwave (MW) Equipment						
	SECTOR 1	SECTOR 2	SECTOR 3	SECTOR 4	Equipment to be Removed	
Manufacturer						
Model Number						
MW Quantity per Sector						
Dimensions (HxWxD) in inches						
Weight (lbs)						
ODU / Radio Model #						
ODU / Radio Quantity per MW						
Feed Line Quantity per MW						
Feed Line Diameter						
Mount Height (in feet AGL)						
Mount Location						
Orientation or Azimuth(s) (in degrees)						
BASE STATION / TRANSMITTER EQUIPMENT						
	Transmitter 1 (900 MHz P25)	Transmitter 2 (900 MHz P25)	Transmitter 3 (900 MHz P25)	Transmitter 4 (900 MHz P25)	Transmitter 5 / Other (VHF)	Transmitter 5 / Other (VHF)
Type of Service						
Call Sign(s) (if applicable)	WQNH256	WQNH256	WQNH256	WQNH256	WP2N385	WQVK602
Quantity of Each Type	1	1	1	1	1	1
Tx Frequency (Mhz)	935.3	935.825	936.05	936.125	153.3725	152.215
Rx Frequency (Mhz)	896.3	896.825	897.05	897.125	159.66	158.675
Max ERP per Antenna (in watts) REQUIRED	51.3	51.3	51.3	51.3	100	100
Unlicensed Spectrum?	no	no	no	no	no	no
Filtering Information	900 MHz TX Hybrid combiner with window filter RX 5 MHz band pass filter, VHF TX cavity combiner/circulator/low pass plus duplexer RX duplexer filter,					

GROUND, SHELTER & ROOFTOP SPACE - POWER - TELCO REQUIREMENTS							
This information will be included in the agreement exhibit. Please include combined (existing and new) ground/rooftop space requirements.							
Gound Equipment Space Leased From:	BNSF	**Ground Space Req's:**	Existing equipment in BNSF shelter.			**# of New Exterior Cabinets (Required):**	0
	Building or Equipment Dimensions (HxWxL):	**Equipment Pad Dimensions (W x L):**	**Leased Area Total Width**	**Leased Area Total Length**	**Subtotal Square Feet**	**Total Square Feet**	
Equipment Space 1:	9 x 8	Room in BNSF Building			72	72	
Generator Space 2:					0		
Other Space 3:					0		
Equipment Details	Other (provide detail)	**Adding Generator?**					
Total Power Consumption (Volts/Amps)		**Generator Type:**			**Telco Requirements:**		
HVAC Info (include location on plans)			**Battery Type/Info:**				
Ground Equipment to be Removed							

Tenant Notes - Installation Notes - Equipment Detail

This application is to add an additional antenna for our new P25 900MHz land mobiel radio system. The current desing is using a dual port antenna for both tx and rx. We will keep the dual port antenna for rx and will be adding a panel antenna for TX. The new antenna will be mounted below the current omni on the same mount and will use the existing tx feed line.

PLEASE COMPLETE AND PRINT THIS PAGE AND ATTACH TO YOUR APPLICATION FEE CHECK PAYMENT

An application fee check in the amount of $1,500 should be made payable to "BNSF Railway Company" and mailed with the application to:
Parallel Infastructure, Attn: Riken Patel, 6210 Ardrey Kell Road, Suite 375, Charlotte, NC 28277. Or we can process a PO with Parallel Infrastructure for all of the fees.

Please include BNSF's site number and/or site location on your check. A Site Plan Sketch with proposed utility route is required to be provided with this application.

The application fee does not include BNSF's current charge ($2,000) for running a structural analysis of proposed additions to an existing tower.

SITE NAME:	Index	**BNSF SITE # (if known):**	WA0005771	**BNSF SITE NAME (if known):**	Deer Creek Flats		
SITE ADDRESS:	Deer Creek FlatsMountain, Reiter Road, SEC HE 18, T 27 N, R 10 T.W .H						
CITY:	(Near) INDEX	**STATE:**	0	**ZIP CODE:**	0	**COUNTY:**	0
Name on Check:		**Check Date:**		**Check #:**		**Check Amt:**	

BUSINESS OF THE COMMISSION

Meeting Date: June 9, 2026 **Agenda Item:** 5D

TITLE

Consideration of a Motion Accepting the First Quarter 2026 Financial Conditions and Activities Monitoring Report

SUBMITTED FOR: Items for Individual Consideration

Finance	Shawn Hunstock	8497
Department	*Contact*	*Extension*

Date of Previous Briefing: April 21, 2026
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)

GOVERNANCE
INTERNAL MONITORING REPORT UNAUDITED

Report Date: 6/9/2026 **Policy Type:**

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

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

Date of Policy: April 16, 2024 **Frequency:** Quarterly

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

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, 2026.

Signed _____ 6/4/26
Jeff Bishop, CFO Date

Signed _____ 6/4/2026
John A. Haarlow, CEO Date

Summary Data: See attached financial results.

1. **Policy Prohibition:** *Accordingly, he or she 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 First Quarter of 2026 this Executive Limitation was followed with no exceptions.

Summary Data: The Rate Stabilization fund was not utilized during the First Quarter of 2026.

2. **Policy Prohibition:** *Accordingly, he or she shall not pay any uninsured judgment or settle any claim with funds from the District's self-insurance fund in excess of $100,000, unless authorized by the Board.*

   Interpretation: No claim settlement in excess of $100,000 will be paid out of the District's self-insured retention fund without first obtaining commission approval.

   Conclusion: During the First Quarter of 2026, this Executive Limitation was followed with no exceptions.

   Summary Data: The Self Insurance Fund totals $10.0 million as of March 31, 2026. No claims were paid out of the District's Self-Insured Retention Fund during the First Quarter of 2026. All other claims settlements authorized by the Risk Management department were paid from the department's annual claims settlement budget.

3. **Policy Prohibition:** *Accordingly, he or she shall not fail to present the Board, on at least a quarterly basis, a report regarding all significant lawsuits filed against the District and any other legal issues that 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 First Quarter of 2026, 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, he or she 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 First Quarter of 2026, this Executive Limitation was followed with no exceptions.

Summary Data: Payroll and all other payables were made in a timely manner during the First Quarter of 2026.

5. **Policy Prohibition:** *Accordingly, he or she 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 First Quarter of 2026, 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, he or she 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 First Quarter of 2026, this Executive Limitation was followed with no exceptions.

   Summary Data: Our current ratio of net bad debts written off to total revenue year-to-date is 0.14% as of March 31, 2026.

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

   A. *An uninsured employee claim , when the settlement is greater than $100,000, 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.*

   B. *Any other uninsured 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 $100,000 is

made with an employee, a lawsuit greater than $100,000 is filed, or any other demand greater than $100,000 is made against the District.

Conclusion: During the First Quarter of 2026, 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 $100,000, and any lawsuits or potential claims greater than $100,000 except for claims overseen by Risk Management.

Policy Prohibition: *Accordingly, he or she shall not, without prior approval from the Board, execute modifications to the existing collective bargaining agreements between the District and the International Brotherhood of Electrical Workers (IBEW), between contracts, which exceed $100,000 of additional expense to the District in the current or next 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 First Quarter of 2026 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.

BUSINESS OF THE COMMISSION

Meeting Date: June 9, 2026 **Agenda Item:** 6A

TITLE

Commission Reports

SUBMITTED FOR: Commission Business

Commission	Allison Morrison	8037
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 Commissioners regularly attend and participate in meetings, seminars, and workshops and report on their activities.

List Attachments:
None

BUSINESS OF THE COMMISSION

Meeting Date: June 9, 2026 **Agenda Item:** 6B

TITLE

Commissioner Event Calendar

SUBMITTED FOR: Commission Business

Commission	Allison Morrison	8037
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 – 2026

June 2026	**June 2:** • Snohomish County Update – Mukilteo, WA (Altamirano-Crosby/Logan/Olson) **June 3 - 4:** • PPC Meeting – Portland, OR - Virtual (Altamirano-Crosby/Logan/Olson) **June 17:** • Master Builders Association (MBA) Snohomish County Elected Officials Reception – Mukilteo, WA (Altamirano-Crosby) **June 25-July 1:** • American Public Power Association (APPA) National Conference – Boston, MA (Logan/Altamirano-Crosby/Olson)

For Planning Purposes Only and Subject to Change at any Time

July 2026	**July 10:** • PNUCC Meeting - Virtual **July 22 - 23** • Energy Northwest (ENW) Board of Directors Meeting - Tri-Cities, WA (Logan)

Commissioner Event Calendar – 2026

August 2026	**August 5 - 7:** • PPC/PNUCC Meetings – Boise, ID

For Planning Purposes Only and Subject to Change at any Time

September 2026	**September 2 - 4:** • PPC/PNUCC Meetings – Portland, OR

Commissioner Event Calendar – 2026

October 2026	**October 7 - 8:** • PPC Meetings – Portland, OR **October 9:** • PNUCC Meeting – Virtual **October 21 - 22:** • Energy Northwest (ENW) Board of Directors Meeting – Tri-Cities, WA (Logan)

For Planning Purposes Only and Subject to Change at any Time

November 2026	**November 3 - 6:** • Western Energy Institute (WEI) Women in Energy Symposium – Indian Wells, CA (Altamirano-Crosby) **November 4 - 6:** • PPC/PNUCC Annual Meetings – Portland, OR

Commissioner Event Calendar – 2026

December 2026	**December:**

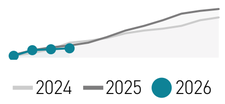
For Planning Purposes Only and Subject to Change at any Time

Snohomish PUD Key Operational Performance Metrics | **April 2026**

Safeguard What Matters

OSHA Recordable Injuries

2026 YTD 10
2025 YTD 13 | -23%
2024 YTD 16 | -38%



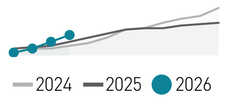
Last 12 Months 49
Prior 12M 40 | +23%



rolling 12 month total

Preventable Vehicle Accidents

2026 YTD 15
2025 YTD 10 | +50%
2024 YTD 7 | +114%



Last 12 Months 29
Prior 12M 38 | -24%



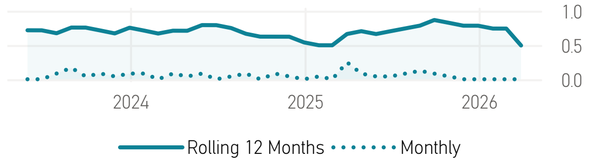
rolling 12 month total

Water System Reliability

In the last 12 months, there have been **11** unplanned water outages. On average, outages impacted **19** customers and lasted **131** minutes.

Outages Per 1,000 Customers

Last 12 Months 0.49
Prior 12 Months 0.66 | -25%



*sparkline graphs: **yellow line** = target, dots = **best** / **worst** results*

Electric System Reliability

SAIDI | System Average Interruption Duration Index

average total minutes a customer was without power

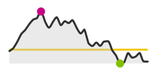
Blue Sky YTD 13.8
Last Year YTD 15.9 | -13%
5 Year Average 20.7 | -33%



Total YTD 34.3
Last Year YTD 55.6 | -38%
5 Year Average 46.6 | -27%



Blue Sky Last 12 Months 55.5
Target 61.5 | -10%
5 Year Avg 64.7 | -14%



Last 12 Months 127.7
Target 105.0 | +22%
5 Year Avg 143.9 | -11%



rolling 12 month total

SAIFI | System Average Interruption Frequency Index

average times a customer was without power

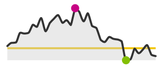
Blue Sky YTD 0.17
Last Year YTD 0.18 | -8%
5 Year Average 0.23 | -27%



Total YTD 0.31
Last Year YTD 0.42 | -26%
5 Year Average 0.41 | -25%



Blue Sky Last 12 Months 0.64
Target 0.68 | -6%
5 Year Avg 0.71 | -10%



Last 12 Months 1.14
Target 1.00 | +14%
5 Year Avg 1.26 | -9%



rolling 12 month total

For **2026** YTD, there have been **6** GSD (gray sky days) vs the 5 year avg of **8**. In the last 12 months we've had **22** grey sky (GDS) vs the five year average of **25**.

Customer Digital Platform Usage

Active Accounts at Month End

With MySnoPUD Profile 76.4%
281.1K active accounts
Last Year 72.4% | +5%
Last Month 76.1% | +0%
Target 80.0% | -5%

With Paperless Billing 51.6%
190.1K active accounts
Last Year 49.4% | +5%
Last Month 51.5% | +0%
Target 62.0% | -17%

With AutoPay 42.7%
157.1K active accounts
Last Year 39.3% | +9%
Last Month 42.4% | +1%

Payments Made via SnoPUD Digital Platforms

Report Month 77%
262.8K payments
Last Year 75% | +3%
Last Month 77% | 0%

* Includes AutoPay, MySnoPUD, one-time payment, and IVR

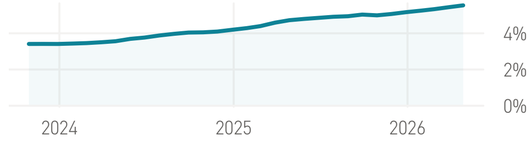
Residential Customer Support

Active Accounts at Month End

Accounts with Discount 5.9%
Last Month 5.8%
Last Year 5.0%

Accounts with Discount 20.2K
Last Month 19.8K
Last Year 17.1K

% Accounts with Discount by Month

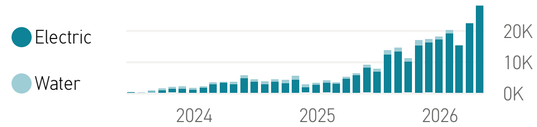


ConnectUp Program

Meters Commissioned Thru Apr 30, 2026

262,590 Total
238,628 Electric
23,962 Water

Meters Commissioned by Month



As of May 20, 2026:
734 of **1,608** meter reading routes are ≥ 95% complete.

Customer Experience

In **April 2026** | the call center answered a total of **18,824** calls. Customers waited an average of **29** seconds to speak to a customer service representative.

Service Level 86%
Target 75%
Last Month 77%
Last Year 78%

First Call Resolution 85.5%
Target 85.0%
Last Month 84.9%
Last Year 86.5%

Avg Daily Calls Handled 856
Last Month 904 | -5%
Last Year 851 | +1%

MySnoPUD Interactions

Avg Daily Web Logins 6,180
Last Month 6,306 | -2%
Last Year 5,937 | +4%

Avg Daily Mobile Logins 2,537
Last Month 2,750 | -8%
Last Year 2,041 | +24%

Snohomish PUD Key Operational Performance Metrics | **April 2026**

Electric Financials

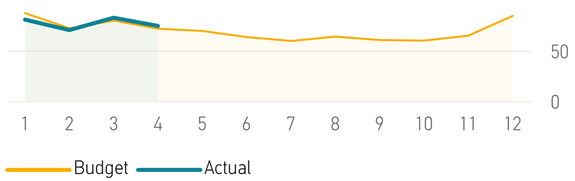
All $ are in millions. YTD Actuals are shown as a % of YTD budget. Operating Revenue excludes Unbilled Revenue adjustment for prior year. Operating Expense includes O&M, Transmission, and Purchased Power.

Operating Revenue YTD

99%

Budget YTD **$309.0** | **-2.7**

Monthly Revenue

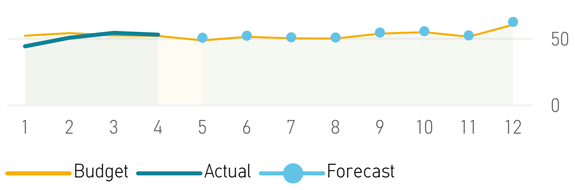


Operating Expense YTD

96%

Budget YTD **$208.2** | **-8.6**

Monthly Expense

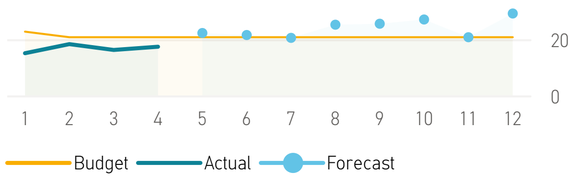


Capital Spend YTD

79%

Budget YTD **$84.9** | **-18.1**

Monthly Spend



Electric Distribution System

Load is the average real power demand placed on the system by all connected customers. Average Megawatts (aMW) equals the amount of electric energy delivered in megawatt-hours (MWh) during a period of time divided by the number of hours in the period. The 3-year average includes 2022-2024.

aMW YTD

908

Forecast YTD **868** | **+5%**
Last Year YTD **929** | **-2%**
3 Year Avg YTD **913** | **-1%**

Peak Hour aMW YTD

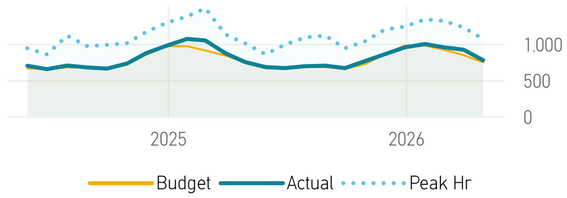
1,336

Prior 3 Years **1,603** | **-17%**

Fri Jan 23, 2026

Sat Jan 13, 2024

aMW by Month



Billed Retail Customer Energy Usage

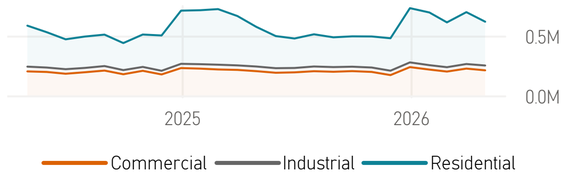
A mega-watt hour (MWh) is a measurement of energy usage. 1 MWh = the power that 1,000 space heaters of 1,000 watts use in 1 hour. Because bill periods vary, usage may be billed in a different month than it occured and may not match the load metrics above.

Billed MWh YTD

2.6M

Budget YTD **2.6M** | **+0%**
Last Year YTD **2.7M** | **-2%**

Total Billed MWh by Month



Water Financial Performance

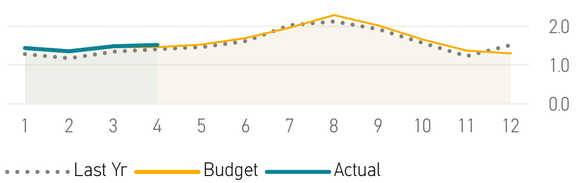
All $ are in millions. YTD Actuals are shown as a % of YTD budget. Operating Revenue excludes Unbilled Revenue adjustment for prior year. Operating Expense includes O&M and Purchased Water.

Operating Revenue YTD

101%

Budget YTD **$5.6** | **+0.1**

Monthly Revenue

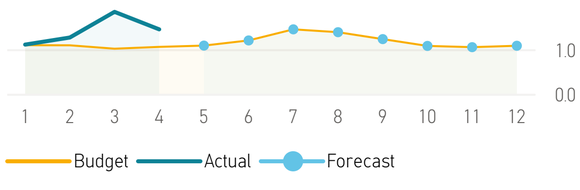


Operating Expense YTD

133%

Budget YTD **$4.2** | **+1.4**

Monthly Expense

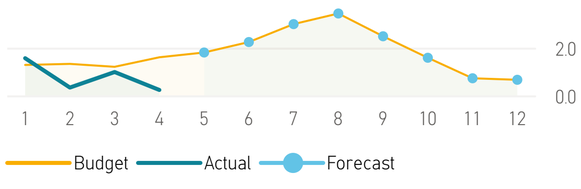


Capital Spend YTD

57%

Budget YTD **$5.4** | **-2.3**

Monthly Spend



Water Residential Billed Usage

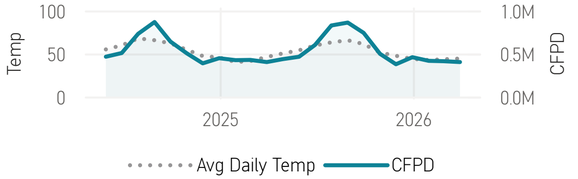
Measured in cubic feet per day (CFPD)

CFPD YTD

413.6K

Last Year YTD **420.8K** | **-2%**
3 Year Avg YTD **424.2K** | **-2%**

CFPD by Month



Generation Financial Performance

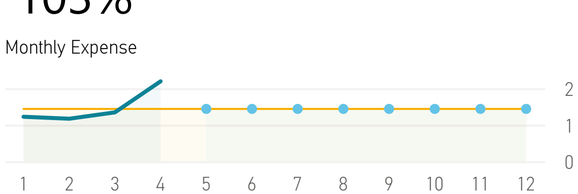
All $ are in millions. YTD Actuals are shown as a % of YTD budget. Operating Expense includes O&M. Summing Electric and Generation expenses will not equal the consolidated financials.

Operating Expense YTD

103%

Budget YTD **$5.7** | **+0.2**

Monthly Expense

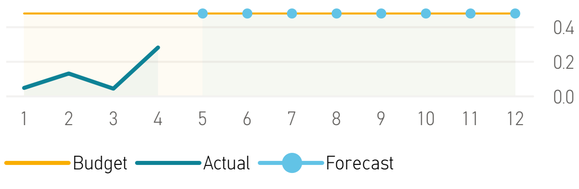


Capital Spend

26%

Budget YTD **$1.9** | **-1.4**

Monthly Spend



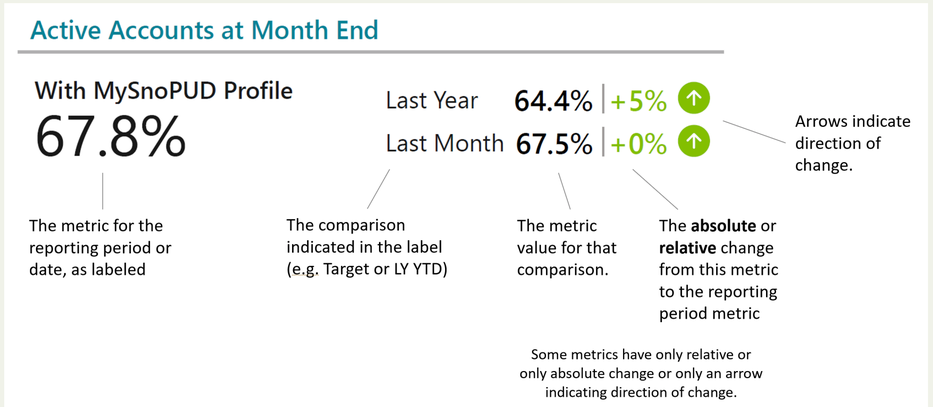
DASHBOARD OVERVIEW

This dashboard is intended to provide key operational performance metrics for Snohomish PUD. The dashboard is updated to the most recent past month when financial close is complete.

If you have questions about the dashboard or the data, please reach out to Laura Lemke.

UNDERSTANDING THE METRIC VISUALIZATIONS

Color of change numbers and/or arrows indicates **positive** or **negative** impact.
Color of change numbers and/or arrows are **black** or **gray** where a target is not established or needed.



DEFINITIONS AND ADDITIONAL RESOURCES

Safety Metrics:
OSHA Recordable Injuries: Injuries that meet OSHA definitions. OSHA defines a recordable injury as including: any work-related injury or illness requiring medical treatment beyond first aid; any work-related fatality.

Preventable Vehicle Accidents: determined by the PUD's Driving Committee.

Electric System Reliability Metrics:
SAIDI | System Average Interruption Duration Index - the average total number of minutes a customer was without power in a given period of time.

SAIFI | System Average Interruption Frequency Index - the average number of times a customer was without power in a given period of time.

A day is classified as Blue Sky when fewer than ten tree-related outage incidents occur. A review of multiple years of outage causes showed that the number of tree related outage incidents closely correlated with non-typical weather conditions such as wind, snow, and heavy rain.

Grey Sky days are days with ten or more tree related outages that are not classified as Major Event Days.

Total SAIDI and SAIFI metrics include Blue Sky and Gray Sky days.

Water Outages per 1000 Customers:
this calculation multiplies the number of unplanned water outages each month by 1000 and then divides it by the number of active water connections.

Customer Self-Service (CSS) Metrics:
Accounts with MySnoPUD Profile - the portion of active PUD accounts in a given month that were associated to one or more MySnoPUD profiles as of the last day of the month.

Accounts with Paperless Billing - the portion of active PUD accounts that receive only an electronic bill as of the last day of the month.

Accounts with AutoPay - the portion of active PUD accounts with an active AutoPay set up as of the last day of the month.

Payments via CSS Tools - this metric does not include electronic payments that customers make through their own bank portal or PUD payment partner sites.

Call Center Metrics:
Service Level - the percent of incoming calls that are answered by a customer service rep within 30 seconds of the customer entering the hold queue.

First Call Resolution - the percent of calls that were resolved on the first call, with no call back within 10 days.

Financial Metrics: These metrics reflect the close of the month. 2024 results are unaudited.

Electric Distribution System Load: reported at the system level based on when the energy was used. The metric is a leading indicator for future meter reads and billed consumption.

Billed Retail Customer Energy Usage: based on billed meter reads. This metric lags the Distribution System Load because usage may be billed in a different month than it was used.

Water Residential Billed Usage: measured in cubic feet per day (CFPD). Usage is based on bill periods and may not be reflected in the month consumed.

SNOHOMISH PUD

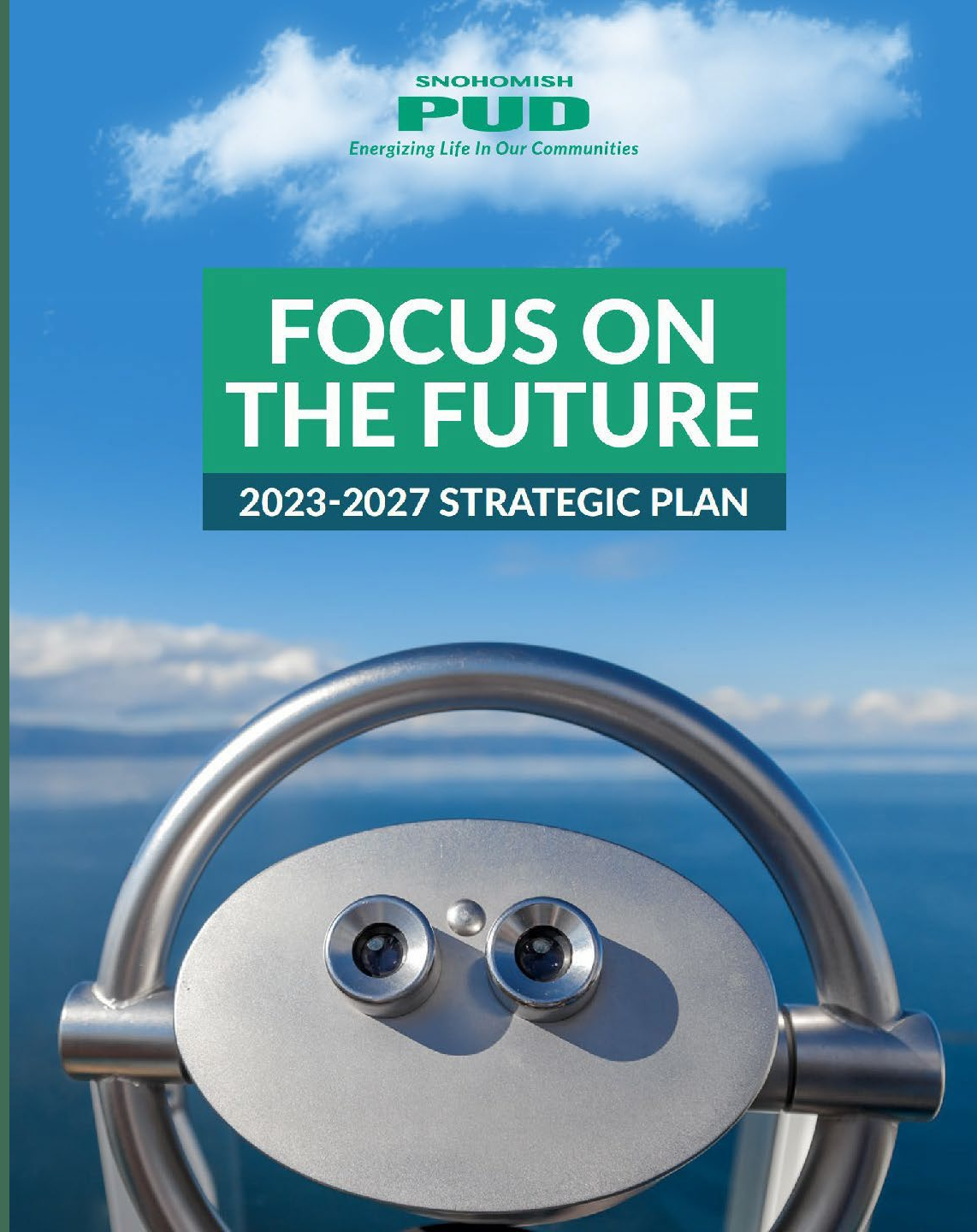
Energizing Life In Our Communities

Strategic Plan Quarterly Update

June 9, 2026

Laura Lemke
Program Director – District Strategy and Performance

Prior Presentation: March 3, 2026



Prior Presentations & Conversations

March 3, 2026	Strategic Plan Quarterly Update
August 19, 2025	Strategic Plan Quarterly Update
February 18, 2025	Strategic Plan Quarterly Update
August 20, 2024	Strategic Plan Quarterly Update
February 20, 2024	Strategic Plan Quarterly Update
December 5, 2023	2023-2027 Strategic Plan Update
February 7, 2023	Approval of the 2023-2027 Strategic Plan

Approved 2023-2027 Strategic Plan: Strategic Priorities - Snohomish County PUD (snopud.com)

Briefly: District Strategic Plan Elements

OUR PURPOSE (what guides us)

We deliver **essential utility services** to **help our communities thrive**

OUR VALUES (how we behave)

Every day we **SAFEGUARD** what matters, putting employee and community safety first.

We have **INTEGRITY**. We are a **TEAM**.
We **SERVE** with pride, and **RISE** to challenges.
We choose to **INCLUDE** all, **SEEK** growth, and be **BOLD**.

OUR COMMITMENT (the tenets that anchor us)

To fulfill our role in the community, we:

- Are a **powerful partner**
- Provide **exceptional value**
- Deliver **excellent experiences**
- Are the **best version of TeamPUD**

The enduring fundamentals that inform everything we do and are the filters we use to make decisions.

OUR VISION (where we're going)

Be the utility that **delights our customers** and **energizes life in our communities**

The goal that the strategic plan is driving toward.



A key area of focus required to achieve our vision and hold true to our Purpose and Commitment. We have five Strategic Priorities.

The specific outcomes we are driving toward under a priority. There are 2 or more under each priority.

The specific actions and work intended to help us achieve the objective. There are 3 or more under each objective.

Click to view approved 2023-2027 Strategic Plan

Our Strategic Priorities and Objectives

Priority 1
Bolster Operational Reliability and Resiliency

- Objective 1.1: **Develop the capabilities for required for an increasingly complex energy future**
- Objective 1.2: **Build the distribution grid of our future**
- Objective 1.3: **Ensure resource adequacy by expanding and protecting resources**
- Objective 1.4: **Preserve exceptional customer value**

Priority 2
Enhance and Evolve Customer Experiences

- Objective 2.1: **Center our work around customer desires, challenges, and expectations**
- Objective 2.2: **Deliver creative, personal, and convenient solutions**
- Objective 2.3: **Give customers increased flexibility and control over their usage and costs**

Priority 3
Actively Help Our Communities Thrive

- Objective 3.1: **Strengthen our community connections**
- Objective 3.2: **Support the economic vitality of our communities**
- Objective 3.3: **Align our practices with our communities' diverse needs**

Priority 4
Build a Sustainable Future with our Communities

- Objective 4.1: **Responsibly minimize and mitigate our environmental impacts**
- Objective 4.2: **Help our customers and communities achieve their goals**

Priority 5
Create the Culture and Capabilities Needed for the Future

- Objective 5.1: **Be an employer of choice**
- Objective 5.2: **Evolve workforce skills and capabilities**
- Objective 5.3: **Increase organizational alignment and effectiveness**

2023-2027 Strategic Plan

Key Performance Metrics

Strategic Performance Metrics

(data through March 31, 2026; 2026 financial results unaudited)

Safeguard What Matters

Recordable Incident Rate

Last 12 Months: 4.27 | Prior 12M 3.94 ↑

Incident Severity Rating

Last 12 Months: 7.92 | Prior 12M 6.62 ↑

Preventable Vehicle Accidents (PVA)

Last 12 Months: 27 | Prior 12M 37 ↓

Employee Experience

Voluntary Employee Turnover

Last 12 Months: 2.8% | Prior 12M 2.7% ↑ | 2 Years Ago 2.2% ↑

Employee Experience 2025 Survey

Overall Favorability: 67.7% | 2024 68.2% ↓ | BPTW 75.3% ↓

Overall Engagement: 76.2% | 2024 75.5% ↑ | BPTW 79.0% ↓

Electric System Reliability

SAIDI *average minutes a customer was without power*

Blue Sky Last 12 Months: 55.5 | Target 61.5 ↓ | Prior 12M 65.1 ↓

Total Last 12 Months: 127.8 | Target 105.0 ↑ | Prior 12M 184.4 ↓

SAIFI *average # times a customer was without power*

Blue Sky Last 12 Months: 0.65 | Target 0.68 ↓ | Prior 12M 0.72 ↓

Total Last 12 Months: 1.15 | Target 1.00 ↑ | Prior 12M 1.50 ↓

CEMI-5 *% customers experiencing >5 outages*

Last 12 Months: 1.1% | Prior 12M 1.5% ↓ | 5 Yr Avg 1.0% ↑

Water System Reliability

Unplanned Outages per 1,000 Customers

Last 12 Months: 0.49 | Prior 12M 0.66 ↓

Distribution System Leakage

Last 12 Months: 7.7% | Prior 12M 7.4% | +4% ↑

Customer Experience

Overall Customer Satisfaction Index

our target is top 3 by end of 2026

2026 YTD Rank: 8 | vs Target -5 ↓ | vs 2024 -1 ↓

Customer Trust

our target is top 3 by end of 2026

2026 YTD Rank: 5 | vs Target -2 ↓ | vs Last Qtr +4 ↑

JD Power Residential Customer Satisfaction Survey

Community Engagement

Involvement in Community

our target is top 3 by end of 2026

2026 YTD Rank: 11 | vs Target -8 ↓ | vs 2024 -1 ↓

JD Power Residential Customer Satisfaction Survey

Financial Stability

Current Ratio

Electric: 3.41 | Requirement 1.00 ↑ | Same Q Last Yr 3.10 ↑

Water: 4.39 | Requirement 1.00 ↑ | Same Q Last Yr 3.21 ↑

Debt Service Coverage Ratio

Electric: 7.82 | Board Requirement 1.75 ↑ | Same Q Last Yr 4.29 ↑

Water - Parity: 3.90 | Board Requirement 1.75 ↑ | Same Q Last Yr 3.35 ↑

Operating Ratio

Electric: 63.0% | Budget YTD 65.9% ↓ | Last Yr YTD 76.6% ↓

Water: 100.0% | Budget YTD 75.8% ↑ | Last Yr YTD 87.1% ↑

2026 Financial Results are unaudited.

Operating Expenses exclude GASB adjustment.

Blue Sky = normal weather days. BPTW = Best Places to Work. Last 12 months = Apr 1, 2025 to Mar 31, 2026 and Qtr End = Mar 31, 2026

Safeguard What Matters

(data through March 31, 2026)

Recordable Incident Rate (RIR)

*(# recordable incidents * 200,000) / total working hours*

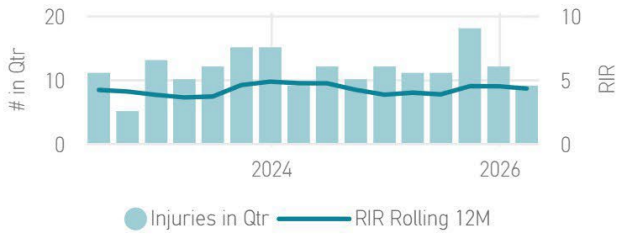
Last 12 Months

4.27

Prior 12M 3.94 | +8% | +0.32

50 recordable injuries, ▲ from **45** in the prior 12 months

Rolling 12 Month RIR, by Quarter End



Severity Rating

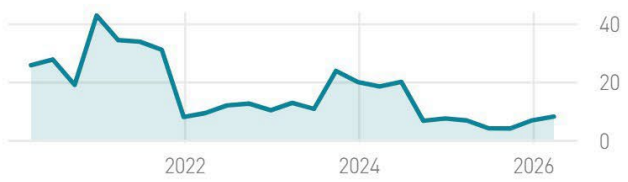
lost days / # recordable injuries

Last 12 Months

7.9

Prior 12M 6.6 | +20% | +1.3

Rolling 12 Month Severity Rating, by Quarter End Since 2020



Preventable Vehicle Accidents (PVA)

Last 12 Months

27

Prior 12M 37 | -27% | -10

Rolling 12 Month PVA, by Quarter End



Recordable Incident Rate (RIR) provides a standardized measure of safety performance, allowing the District to track workplace injuries and illnesses over time, compare our safety record with industry benchmarks, and identify areas for improvement.

This rolling 12-month calculation is not our official OSHA recordable incident rate. The OSHA metric is calculated by calendar year.

Severity Rating provides a common language for discussing and understanding the impact of safety incidents.

The PUD's Driving Committee meets the first Tuesday of each month to review accidents and determine which were preventable.

Note: Historical RIR may change as incidents may be reported up to one year after they occur and their classification of reportable or not may change. Severity rating may change as the count of recordable incidents shifts and as lost days continue to accrue to past injuries. The metrics will update each quarter to reflect the most recent data.

System Reliability

(data through March 31, 2026)

Electric System Reliability

SAIDI (System Avg Interruption Duration Index)

average minutes a customer was without power

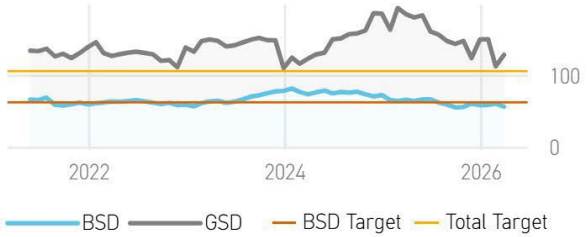
Blue Sky Last 12 Months
55.5

Target	61.5	-6.0
Prior 12M	65.1	-9.6
5 Yr Avg	64.7	-9.2

Total Last 12 Months
127.8

Target	105.0	+22.8
Prior 12M	184.4	-56.6
5 Yr Avg	143.9	-16.1

SAIDI Rolling 12 Mo Total, by Blue Sky (BSD) and Gray Sky (GSD)



SAIFI (System Avg Interruption Frequency Index)

average # times a customer was without power

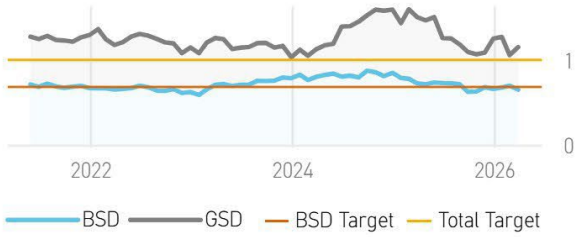
Blue Sky Last 12 Months
0.65

Target	0.68	-0.03
Prior 12M	0.72	-0.07
5 Yr Avg	0.71	-0.06

Total Last 12 Months
1.15

Target	1.00	+0.15
Prior 12M	1.50	-0.35
5 Yr Avg	1.26	-0.11

SAIFI Rolling 12 Mo Total, by Blue Sky (BSD) vs Gray Sky (GSD)



CEMI-5 (Customers Experiencing Multiple Interruptions)

% customers experiencing more than 5 outages

Total Last 12 Months
1.1%

Prior 12M 1.5% | -26.2% | -0pp

CEMI-5 Rolling 12 Month Total



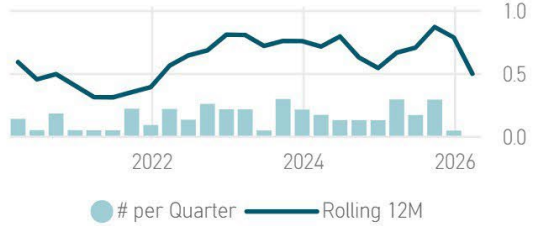
Water System Reliability

Water Outages per 1,000 Customers

unplanned outages only

Last 12 Months
0.49

Prior 12M 0.66 | -25% | -0.17

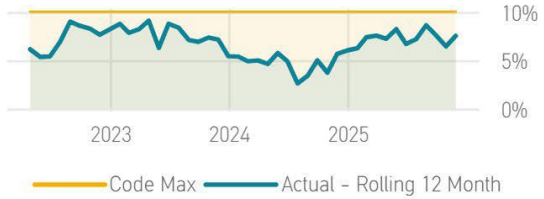


Distribution System Leakage

includes apparent and real losses

Last 12 Months
7.7%

Prior 12M 7.4% | +4%



A day is classified as **Blue Sky** when fewer than ten tree-related outage incidents occur. A review of multiple years of outage causes showed that the number of tree related outage incidents closely correlated with non-typical weather conditions such as wind, snow, and heavy rain.
Grey Sky days are days with ten or more tree related outages that are not classified as Major Event Days.
Total SAIDI, SAIFI, and CEMI-5 metrics include Blue Sky and Gray Sky days.

Note: Electric system reliability metrics exclude planned outages and Major Event Days (MEDs). MED's are days in which the daily system SAIDI exceeds a calculated threshold that is evaluated and established for each calendar year. MEDs are identified to allow study of the system's daily operation without being influenced by a few large events.

Financial Stability

(data through March 31, 2026; 2026 financial results unaudited)

Electric Utility

Current Ratio

Current & Accrued Assets / Current & Accrued Liabilities

Qtr End
3.41

Requirement	1.00	+2.41
Last Qtr	2.88	+0.53
Same Q Last Yr	3.10	+0.30

Debt Service Coverage Ratio

Operating Cash Flow / Total Debt

Qtr End
7.82

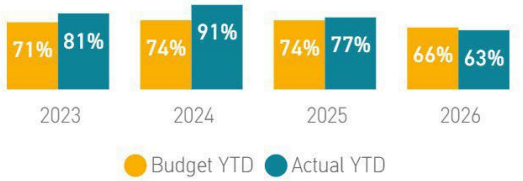
Board Requirement	1.75	+6.07
Last Qtr	6.35	+1.47
Same Q Last Yr	4.29	+3.54

Operating Ratio

Operating Expense / Operating Revenue

YTD
63.0%

Budget YTD	65.9%	-4%
Last Yr YTD	76.6%	-18%



Water Utility

Current Ratio

Current & Accrued Assets / Current & Accrued Liabilities

Qtr End
4.39

Requirement	1.00	+3.39
Last Qtr	3.97	+0.42
Same Q Last Yr	3.21	+1.18

Debt Service Coverage Ratio

Operating Cash Flow / Total Debt

Qtr End
3.90

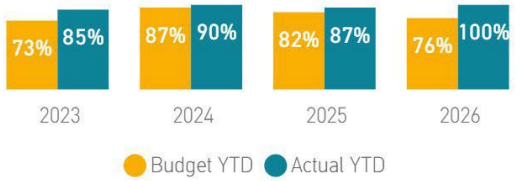
Board Requirement	1.75	+2.15
Last Qtr	4.02	-0.12
Same Q Last Yr	3.35	+0.55

Operating Ratio

Operating Expense / Operating Revenue

YTD
100.0%

Budget YTD	75.8%	+32%
Last Yr YTD	87.1%	+15%



Current Ratio measures an organization's ability to pay its short-term obligations or those due within one year. A current ratio of 1 indicates that the company has exactly enough short-term assets to cover its short-term obligations.

Debt-Service Coverage Ratio is used to assess whether an organization has sufficient net operating income to service its debt obligations. The ratio can influence credit ratings, borrowing costs, and overall financial stability. A ratio of 1 indicates that an organization has exactly enough operating income to pay its debt service costs.

Operating Ratio is an indicator of operational effectiveness. It is also a useful benchmark for both comparing organizational performance over time and comparing our performance to that of similar organizations.

Operating Expense includes O&M, Transmission, and Purchased Power / Water costs. For better comparison, Operating Expense actuals exclude an annual year-end non-cash adjustment related to an accounting standard requirement.

Operating Revenue excludes the Unbilled Revenue Adjustment.

Customer Experience and Community Engagement

(data through Q1 2026)

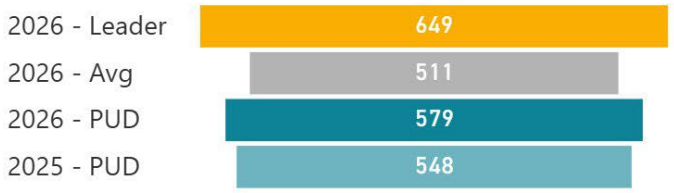
Overall Customer Satisfaction Index

our target is top 3 by end of 2026

2026 YTD Rank
8

vs Our Target -5
vs 2025 Rank -1
vs 2024 Rank -1

Our YTD score is **579** vs the leading score of **649** held by **Mississippi Power**



JD Power surveys evaluate the quality of customer service provided by an organization, based on factors such as the customer's experience with the company's representatives, resolution of issues, and overall satisfaction. This is the top-level aggregated score.

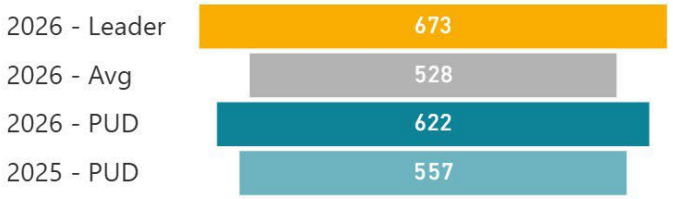
Customer Trust

our target is top 3 by end of 2026

2026 YTD Rank
5

vs Our Target -2
vs 2025 Rank +4

Our YTD score is **622** vs the leading score of **673** held by **Mississippi Power**



This JD Power Score is in response to the question "On a scale of 1-10, where 1 is unacceptable and 10 is Outstanding, how would you rate your level of trust with Snohomish PUD (e.g., community involvement, environmental impacts)? This metric was new in 2025 so there is no comparison to prior years.

Involvement in Community

our target is top 3 by end of 2026

2026 YTD Rank
11

vs Our Target -8
vs 2025 Rank -1
vs 2024 Rank -3

Our YTD score is **5.10** vs the leading score of **5.88** held by **Mississippi Power**



This JD Power Score is in response to the question "On a scale of 1-10, where 1 is unacceptable and 10 is Outstanding, how would you rate Snohomish PUD on Involvement in the Community (e.g. local charities, civic organizations, etc.)?" The scoring for this metric changed in 2026 so there is no comparison to prior years.

Note: Snohomish PUD is in the Midsize Utility segment, which includes a total of 62 utilities.
The Leader score shown above = the top score in that category. The Avg score = the Midsize Utility segment average score.

Employee Experience

(data through March 31, 2026)

Voluntary Employee Turnover

excludes retirements and involuntary separations

Last 12 Months
2.8%

Prior 12M	2.7%	+5%
2 Years Ago	2.2%	+28%

Rolling 12-month Turnover, by Separation Reason



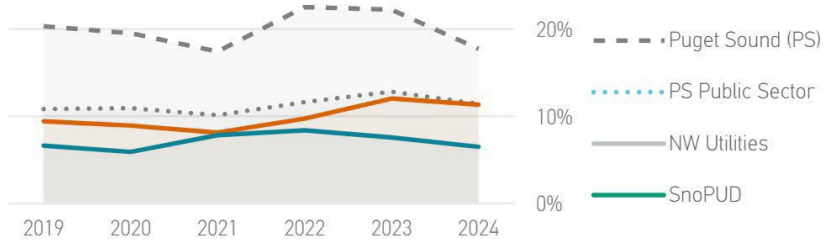
Overall Employee Turnover

includes all separation reasons

Last 12 Months
5.7%

Prior 12M	6.6%	-13%
2 Years Ago	6.7%	-15%

Annual Overall Turnover, with Milliman Benchmarks



Employee Experience

results from fall 2025 Employee Experience Survey

Overall Favorability
67.7%

2024 Score	68.2%
Best Places to Work	75.3%

Overall Engagement
76.2%

2024 Score	75.5%
Best Places to Work	79.0%

Voluntary Employee Turnover measures the rate at which employees willingly leave SnoPUD. This can reflect job satisfaction levels, career development opportunities, and overall employee engagement. Voluntary turnover also includes people satisfied with their work at SnoPUD that leave due to new opportunities, relocation, and personal reasons.

This is a best available metric. We anticipate supplementing or replacing it with a new employee engagement metric later this year.

Overall Employee Turnover with a comparison to regional benchmarks helps put SnoPUD's voluntary turnover into context. Benchmarks are provided by Milliman and available annually.

2024 is the first year for which Snohomish PUD has data. The survey will be conducted annually. Benchmarks are provided by Quantum ratings for their identified Best Places to Work employers with 1,000-4,999 employees.

Overall Favorability is the percentage of favorable survey responses for every survey question.

Overall Engagement is the % favorable responses to nine key employee engagement questions and captures the core of how employee engagement is measured. They help reveal the current state of employee engagement within organizations. Outcomes are not actionable as they are the targets the organization should strive to maintain or enhance.

2023-2027 Strategic Plan

2026 Q1 Execution Progress Report

= Strategic Initiative scope is complete



Initiatives Completed in Q1 2026

Priority	Objective	Initiative	Key Deliverables
2. Evolve and Enhance Customer Experiences	2.1 Center our work around customer desires, challenges, and expectations.	2.1 A. Enhance and employ our overarching customer experience strategy through a shared vision and action plans.	Developed updated customer experience strategy to guide focus across the District. Strategy will be implemented by the newly formed Customer Experience Council.
	2.2 Deliver creative, personal, and convenient solutions.	2.1 C. Design and deliver personal and proactive customer communications regarding outage restoration, system work, and relevant programs and opportunities.	Modernized and expanded outage communications across channels. Delivered a major Outage Map upgrade to improve reliability, scalability, accuracy, and customer experience. Partnered with MyMeter to enable MySnoPUD Storm Center, proactive outage alerts, and automatic enrollment in email notifications. Implemented proactive account alerts.
3. Actively Help Our Communities Thrive	3.1 Strengthen our community connections.	3.1 B. Strengthen and expand our existing approach to create more and deeper engagement with a broad set of organizations and customers.	Developed the community engagement tracking tool to understand the extent and impact of our work. Focus now moves to leveraging the tool to guide engagement strategy and decision making.
4. Build a Sustainable Future with Our Communities	4.2 Help our customers and communities achieve their goals.	4.2 B. Strengthen our ability to support local governments, agencies, and key accounts.	Established an Environmental Stewardship Committee sub-team to evaluate requests using an objective set of criteria.

Strategic Priority

BOLSTER OPERATIONAL RELIABILITY & RESILIENCY

HOW WE MEASURE OUR IMPACT:

- System reliability metrics.
- Financial performance metrics.
- Customer satisfaction with reliability and value of our services.

Electrification of transportation, heating, and industry will intensify customer and community dependence on electricity, increase overall energy use, and change usage patterns. The regional shift towards clean energy and accelerating climate change creates new operational complexities.

Ensuring that energy and water are available whenever and wherever needed will require sophisticated planning, new and upgraded infrastructure, continual improvement of our practices, and responsible financial management.

OUR 2023-2027 STRATEGIC OBJECTIVES:

- **Develop the capabilities for an increasingly complex energy future.**
- **Build the distribution grid of our future.**
- **Ensure resource adequacy by expanding and protecting resources.**
- **Preserve exceptional customer value.**

Strategic Objective 1.1

Develop the capabilities for an increasingly complex energy future

We will invest in the insight, infrastructure, technology, and programs required to meet the rapidly changing and increasingly complex demands of the future.

STRATEGIC INITIATIVES:

A. Develop a clear, unified vision of the role we want to play in community decarbonization and electrification.

B. Develop a strategy and implement action plans to achieve our vision, meet electrification demands, and serve rapidly evolving customer loads.

C. Implement a cohesive cross-functional portfolio of technology, infrastructure, resource, analytics, and program solutions to meet utility and customer needs.

Completed Year to Date

- ✓ **Electrification Strategy** | draft completed.

In Flight

- ➡ **Electrification Strategy** | internal review underway.

Strategic Considerations

- Measurable progress on initiative C is dependent on early work on the strategy being completed to inform the action plans and solution design.

Strategic Objective 1.2

Build the distribution grid of our future

We will modernize and automate infrastructure and operational practices to increase reliability and resiliency. We will identify, understand, and mitigate risks to service delivery.

STRATEGIC INITIATIVES:

A. Enhance load forecast evaluation and impact analyses and update system planning practices.

B. Develop and implement grid-hardening policies and practices resilient to climate change impacts and responsive to long-term load changes.

C. Increase the value and impacts of our reliability and resiliency improvement work with more sophisticated planning and new approaches.

D. Implement distribution automation capabilities leveraging smart grid communication infrastructure.

E. Refine our maintenance work prioritization and asset management practices.

Completed Year to Date

- ✓ **Blue Sky Day reliability metrics** | methodology finalized.

In Flight

- **10-year Small Area Forecast** | contracting underway for software and land use data.
- **20-year Long Range Plan and 60-year Horizon Plan** | work on track.
- **Drone analysis of vegetation management** | underway.
- **Outage incident reporting refinement** | underway.
- **Circuit classification and scoring tool** | program charter drafted.
- **Directional fault circuit indicators** | first indicators installed and functional.
- **Deploy 100 3-phase reclosers** | equipment ordered.
- **1-phase recloser deployment with focus on critical wildfire risk areas** | equipment ordered after Commission approval.
- **Regulator retrofit deployment through SnoSMART program** | equipment ordered.
- **Current state assessment of maintenance activities** | underway.

Strategic Considerations

- New local forecasting requirements may expose technical gaps that require substantial investment in software or automation.
- Grid-hardening, reliability work, and asset maintenance plans are dependent on approval of budget requests and permit turnaround times.
- Supply chain delays and crew availability could impact distribution automation progress.
- Data & Analytics resources constrained with TWO the Cloud and SnoSMART projects.

Strategic Objective 1.4

Preserve exceptional customer value

We will ensure long-term financial health and stability through robust planning, cost and risk management, and adequate reserves

STRATEGIC INITIATIVES:

C. Bolster enterprise risk management practices and protocols.

D. Improve budgeting, cost management, and long-term planning; enhance budget and financial reporting.

E. Develop and implement a long-term rate strategy and supporting policies.

Note that work for initiative A – Develop and enterprise-wide approach to operational planning has been tracked under Objective 5.3 – Increase Organizational Alignment and Effectiveness. The original initiative B was merged into initiative D.

Completed Year-to-Date

- ✓ **Strategic Risk Report** | Commission Briefing at May 26, 2026 meeting.

In Flight

- **Departmental Risk Workshops** | in progress.
- **Key Risk Indicator Dashboard** | in development.
- **Quarterly risk monitoring for strategic risks** | process established; Q1 updates underway.
- **Implement Financial Fundamentals for Managers training** | multiple trainings complete.
- **Implement a capital project prioritization rubric** | in progress.
- **Improvements to annual budgeting process, reporting and variance analysis** | in progress.
- **Approval of new budget and planning governance policies** | drafting in progress.
- **Intra-rate class equity metrics** | initial results being analyzed.

Strategic Considerations

- New planning and prioritization practices require culture change and shift from division to enterprise perspective.
- Balancing desire to address rate design imbalances with maintaining customer affordability.

Strategic Priority

ENHANCE & EVOLVE CUSTOMER EXPERIENCES

HOW WE MEASURE OUR IMPACT

Customer ratings for:

- Service channels and platforms.
- Communication from us.
- Tools for understanding usage and billing.
- Billing and rate options.

Our communities are increasingly diverse with evolving customer needs and preferences. The standards set by other industries are influencing what our customers expect of us.

To continue delivering excellent experiences and earn customer loyalty we must keep pace and adopt a customer-centric focus across all aspects of our operations. We must hear, understand, and respond to what customers want, need, expect, and value.

OUR 2023-2027 STRATEGIC OBJECTIVES:

- **Center our work around customer desires, challenges, and expectations.**
- **Deliver creative, personal, and convenient solutions.**
- **Give customers increased flexibility and control over their usage and costs.**

Strategic Objective 2.1

Center our work around customer desires, challenges, and expectations

We will proactively assess, understand, and anticipate customer needs and expectations and take timely, intentional actions.

STRATEGIC INITIATIVES:

A. Enhance and employ our overarching customer experience strategy through a shared vision and action plans.

B. Create a customer-centric culture, shared across all divisions and teams. Support and train employees.

C. Improve our ability to make customer-centric decisions.

Completed Year to Date

- ✓ **Initiative A complete** with the finalization of the customer experience strategy.
- ✓ **Energy Assistance Dashboard** | build completed.

In Flight

- **Establish a Customer Experience Council** | underway.
- **Voice of the Customer Dashboard** | draft complete.
- **Energy Assistance Dashboard** | internal roll-out underway.

Strategic Considerations

- Executing our strategy requires focus and attention, we must ensure that the work is focused and resourced.
- Data & Analytics constrained with TWO the Cloud and SnoSMART projects.

Strategic Objective 2.2

Deliver creative, personal, and convenient solutions

We will enable customers to interact with us in the ways that work best for them. We will expand proactive communication capabilities using customer-preferred platforms and channels.

STRATEGIC INITIATIVES:

A. Increase consistency and coordination of customer service options and communications across divisions.

B. Implement new and enhanced self-service options responsive to customer needs, expectations, and preferences.

C. Design and deliver personal and proactive customer communications regarding outage restoration, system work, and relevant programs and opportunities.

D. Centralize and utilize customer-preference management.

Completed Year to Date

- **Initiative C complete** with implementation of outage communications across channels, outage map upgrade, and proactive account alerts.

In Flight

- **Data testing and validation of TWO the Cloud data changes** | underway.
- **Develop Customer Preference Management strategy** | underway.
- **Customer Preference Management implementation plan** | underway.

Strategic Considerations

- We are in a freeze for most MySnoPUD development work pending moving to the new platform.

Strategic Objective 2.3

Give customers increased flexibility and control over their usage and costs

We will meet customer needs with rate and billing options that fit varying lifestyles and business operations. We will leverage new technologies and data to help customers make informed decisions.

STRATEGIC INITIATIVES:

A. Prioritize, plan, and implement solutions to enable meaningful smart grid benefits to customers in the near and long-term.

B. Offer customers new ways to understand and manage their usage and costs including new billing options, insights, and recommendations.

C. Develop and offer new rate options that meet PUD and customer needs.

D. Enhance our ability to implement rate and billing changes through new and improved processes, tools, and systems.

Completed Year to Date

- ✓ **Customer Experience Rate Strategy** | draft complete and under review.

In Flight

- **Establish Industrial Demand Curtailment rate** | underway.
- **Establish Residential Voluntary Reduction Program** | underway.
- **Establish future rate map** | underway.
- **Rate roadmap gap analysis** | underway.

Strategic Considerations

- No timeline for MySnoPUD migration impedes ability execute roadmap and timelines.
- Rate and demand response offerings are dependent on new technology and staff availability. Full implementation may require significant budget investment in future years.

Strategic Priority

ACTIVELY HELP OUR COMMUNITIES THRIVE

HOW WE MEASURE OUR IMPACT:

- Internal assessment of our work and its impacts.
- Community partnerships and customer feedback.

We have been part of the fabric of our communities since our creation and are committed to providing equitable services and access. Water and power are vital to ensuring Snohomish County and Camano Island thrive today and in the future.

Looking to the future we believe we have the opportunity, and responsibility, to become an even more powerful partner.

OUR 2023-2027 STRATEGIC OBJECTIVES:

- **Strengthen our community connections.**
- **Support the economic vitality of our communities.**
- **Align our practices with our communities' diverse needs.**

Strategic Objective 3.1

Strengthen our community connections

We will expand the breadth, depth, and impacts of our engagement. We will meet customers where they are and where they need us to be.

STRATEGIC INITIATIVES:

A. Clearly define and communicate the framework for how we will intentionally connect and engage with our communities.

B. Strengthen and expand our existing approach to create more and deeper engagement with a broad set of organizations and customers.

C. Better support employees volunteering in their communities with clear guidelines, policies, and appropriate resources.

D. Centralize information and materials to increase awareness of engagement, ease of access, and consistency of engagement.

Completed Year to Date

- ✓ **Initiative B complete** with the launch of the data collection app for use at events. The information gathered will guide our engagement strategy and planning for 2027 and beyond.

Strategic Considerations

- Increasing our understanding of where we might want more depth, breadth, or impact may change our event selection and staffing strategies.

Strategic Objective 3.2

Support the economic vitality of our communities

We will partner with community leaders and stakeholders to foster a vibrant and resilient local economy. We will support development and new construction.

STRATEGIC INITIATIVES:

A. Develop and implement a strategy to strengthen our support of economic vitality, capitalizing on our value as a community asset and acting on input from partners and stakeholders.

B. Evaluate and improve the new service process, focusing on improving the customer experience while maintaining fair and transparent policies.

C. Improve our ability to meet new connection needs and timelines, focusing on proactive planning, cross-functional and agency collaboration, and construction practices.

Completed Year to Date

- ✓ **New Large Load Policy (2.5-10MW)** | reached final draft stage.

In Flight

- **Economic vitality position statement** | draft in review.
- **New load program framework and strategy** | tabletop exercises complete, workshops underway.
- **Standardize new load intake process** | underway.
- **New Load Updates to www.snopud.com** | underway.
- **Platform for customer visibility into project status** | requirements in development.

Strategic Considerations

- This is a broad cross functional effort and we must prioritize among other work to ensure we make timely and effective progress.
- IT resource availability is constrained due to TWO the Cloud and SnoSMART projects.

Strategic Objective 3.3

Align our practices with our communities' diverse needs

We will understand if and where inequities exist in our practices and operations. We will take appropriate and intentional action to increase equity.

STRATEGIC INITIATIVES:

A. Clearly define what equity means for us in context of our communities, customers, services, and operating requirements.

B. Evaluate our current practices, programs, and services to identify inequities and their impacts. Engage our customers and communities as part of this work.

C. Incorporate equity into our decision making and service and program design. Support and train employees. Establish equity performance metrics.

In Flight

- **Incorporate equity considerations into decision making processes** | underway.
- **Train leaders and decision makers about how to incorporate equity into decision making** | planned.

Strategic Considerations

- Work will require discussion and time to ensure we are consistent in how we approach incorporating equity.

Strategic Priority

BUILD A SUSTAINABLE FUTURE WITH OUR COMMUNITIES

HOW WE MEASURE OUR IMPACT:

- Performance metrics defined in the environmental sustainability action plan.
- Internal assessment of efforts to support community and customer sustainability goals.
- Feedback from community partners and customers.

We have long prioritized providing affordable carbon-free power to our communities while being sensitive to the natural environment in our planning, construction, and operations.

With growing momentum toward electrification, decarbonization, local energy generation and storage, and conservation of natural resources, we are uniquely positioned to help our communities develop and achieve their sustainability goals.

OUR 2023-2027 STRATEGIC OBJECTIVES:

- **Responsibly minimize and mitigate our environmental impacts.**
- **Help our customers and communities achieve their [sustainability] goals.**

Strategic Objective 4.1

Responsibly minimize and mitigate our environmental impacts

We will strengthen our focus on reducing our greenhouse gas emissions, reducing waste across our business activities, and reducing our environmental impacts.

STRATEGIC INITIATIVES:

A. Develop an environmental sustainability action plan that establishes clear goals, priorities, and roadmaps. Institute key metrics and implement tracking and reporting systems.

B. Implement plans and actions to reduce our greenhouse gas emissions and minimize electricity and water waste.

C. Develop and support a culture of environmental stewardship through education and engagement. Incorporate environmental value into decision making practices.

Completed Year to Date

- **Environmental Sustainability Action Plan (ESAP)** | finalized.
- **Orca Bus Pass Pilot Program** | completed design and roll-out.
- **Woods Creek Sustainability Center** | call for muralists complete.

In Flight

- **Prioritize ESAP actions and develop action plans** | underway.
- **Orca Bus Pass Pilot Program** | underway.
- **Update Vegetation Management Policy and Program** | team formed.
- **Update Capital Plan for Woods Creek Sustainability Center development** | underway.

Strategic Considerations

- Budget and staffing availability constrain the speed at which we can implement work.

Strategic Objective 4.2

Help our customers and communities achieve their goals

We will engage with community leaders and customers to understand their varying sustainability goals. We will develop mutually agreeable strategies and timelines to meet their objectives.

STRATEGIC INITIATIVES:

A. Clearly articulate guidelines and expectations of how we partner and support our communities and customers, appropriate to our role as a public utility.

B. Strengthen our ability to support local governments, agencies, and key accounts.

C. Enhance our ability to support residential and small-to-midsize business customers by continuing, evolving, and expanding existing environmental sustainability programs.

Completed Year to Date

- ✓ **Initiative B is complete** with establishment of Environmental Sustainability Subcommittee and the adoption of their charter.

In Flight

- ➡ Identify an initiative lead for initiative C | underway.

Strategic Considerations

- There is an unknown amount of interest in the program established by Initiative B (quantity of requests, costs) so the process will be piloted and data collected to inform program moving forward.

Priority 5

CREATE THE CULTURE AND CAPABILITIES NEEDED FOR THE FUTURE

HOW WE MEASURE OUR IMPACT:

- Employee sentiment metrics.
- Recruitment and retention metrics.
- Diversity and equity metrics.

Our employees are the heart of our organization; they are fundamental to our ability to deliver on our commitments and achieve our vision. We must attract, develop, and retain a workforce that embodies our values and reflects the diversity of our communities.

Our employees need not only the capabilities and resources to do their jobs safely and effectively but also access to development and advancement.

OUR 2023-2027 STRATEGIC OBJECTIVES:

- **Be an employer of choice.**
- **Evolve workforce skills and capabilities.**
- **Increase organizational alignment & effectiveness.**

Strategic Objective 5.1

Be an employer of choice

We will offer rewarding work experiences that meet evolving employee needs. We will create an inclusive culture where everyone can feel safe, welcome, and valued. We will engage and empower our people in consistent, meaningful ways.

STRATEGIC INITIATIVES:

A. Develop and implement a strategy to effectively support flexible, hybrid work.

B. Develop and implement a strategy to increase manager effectiveness.

C. Increase transparency and equity of access to advancement and development opportunities.

D. Develop and implement a Diversity, Equity, and Inclusion Program.

E. Develop and implement a consistent and meaningful framework for measuring employee experience and acting on the insights.

Completed Year to Date

- ✓ **Leadership Culture Committee** | established 2026 priorities.
- ✓ **Shared Leadership Goal Related to Employee Engagement Survey** | established.

In Flight

- **Develop a program to recognize leaders who exemplify our culture and values** | underway.
- **Establish DEI program workplan and identify key metrics** | underway.
- **Foster internal understanding of DEI program** | workshop planning underway.
- **Implement employee onboarding survey** | underway.
- **Manager support for acting on employee survey results** | underway.

Strategic Considerations

- We ask a lot of our people managers, and we risk manager training fatigue.
- Misunderstanding of what DEI means at the District.

Strategic Objective 5.2

Evolve workforce skills and capabilities

We will anticipate the workforce capabilities needed in the next 10 years and develop a robust strategy to meet those needs. We will invest in our people to ensure they have skills, knowledge, and tools to succeed.

STRATEGIC INITIATIVES:

A. Develop and implement a strategic workforce plan.

B. Align and enhance training and development to meet needs of the future.

C. Enhance community workforce pipeline development strategy.

D. Develop and implement a strategy to strengthen recruiting and on-boarding.

E. Strengthen workforce reporting, planning, and analytics capabilities.

Completed Year to Date

- ✓ **Strategic Workforce Development Program** | launched.
- ✓ **Foreman / Leader in Training Program** | expanded to Water, Toolroom, and Transportation.

In Flight

- **Strategic Workforce Development Program** | future workforce workshops underway.
- **Develop Presentation Skills Training** | underway.
- **Annual Manager Workshop Series** | underway.
- **Evaluate and improve recruiting process** | continual improvement project underway.
- **Hiring Manager Training Program** | underway.

Strategic Considerations

- Competing priorities and resource shifts may impact timelines.
- Aligning on a single approach requires willingness to change existing practices.

Strategic Objective 5.3

Increase organizational alignment & effectiveness

We will ensure that all of Team PUD shares a common vision and works together to achieve it. We will establish systems to support organizational alignment, planning, prioritization, and decision-making.

STRATEGIC INITIATIVES:

A. Create a culture of trust and collaboration.
B. Clarify decision making and accountability by establishing and communicating expectations and guidelines.
C. Develop and implement enterprise work prioritization and resource planning.
D. Develop and implement strategic plan performance management to build understanding and buy-in.
E. Develop and implement a strategy to capture opportunities and mitigate risks of AI tools.
F. Manage data as a critical asset to enhance business processes, support informed decision-making, and drive innovation.

Completed Year to Date

- ✓ **Centralized division operating plan management tool** | tool finalized and launched.
- ✓ **Manage data as a critical asset** | finalized vision and initiative success criteria.
- ✓ **AI Governance Platform** | Request for Information (RFI) completed.
- ✓ **AI Risk Intake Process** | approved by governance process.

In Flight

- **Clarify decision making rights and expectations** | underway.
- **Decision making training** | development underway.
- **Enterprise Project Governance Board resource allocation, metrics, project tracking and reporting systems** | underway.
- **Centralized division operating plan management tool** | division adoption underway.
- **Develop AI Center of Excellence** | underway.
- **AI Governance Platform Request for Proposal (RFP)** | underway.
- **Develop Data Owner Program** | underway.

Strategic Considerations

- These initiatives require significant culture change.
- IT and shared services constraints due to TWO the Cloud and SnoSMART projects.

SNOHOMISH PUD

Energizing Life In Our Communities



2026 Financial Status Report April 2026

June 9, 2026

Electric System Financial Indicators

Retail Revenues

data through Apr 30, 2026

Actual YTD	$289.2M	Budget YTD $290.6M | 0% | -1.4M ▼	
EOY Forecast	$764.5M	2026 Budget $765.9M | 0% | -1.4M ▼	

Capital Spend

data through Apr 30, 2026

Actual YTD	$66.8M	Budget YTD $84.9M | -21% | -18.1M ▼	
EOY Forecast	$249.0M	2026 Budget $249.0M | 0% | 0.0 ▲	

Net Income

data through Apr 30, 2026

Actual YTD	$92.2M	Budget YTD $74.0M | +25% | +18.2M ▲	
EOY Forecast	$136.1M	2026 Budget $136.3M | 0% | -160.4K ▼	

Days Cash on Hand

data through Apr 30, 2026

Actual	216	Requirement 180 | +36 ▲	
		Floor 165 | +51 ▲	
EOY Forecast	193	2026 Target* 193 | +0 ▲	

**The original projected DCOH target for 2026 was 179 days. Because 2025 ended 14 days above target, the 2026 projected target was revised to 193 days.*

Debt Service Coverage

data through: Apr 30, 2026

(Operating Cash Flow / Total Debt)

Actual**	8.1	2026 Budget 5.6 ▲	
		Requirement 1.8 ▲	

***DSC actual is based on a rolling 12-month calculation.*

Bond Ratings

Agency	2024	2025
Fitch	AA-	AA
Moodys	Aa2	Aa2
S&P Global	AA	AA

Arrows indicate direction of comparison. Magenta indicates a negative comparison, green indicates a positive comparison, black indicates a neutral comparison.

Electric/Generation System Results - YTD

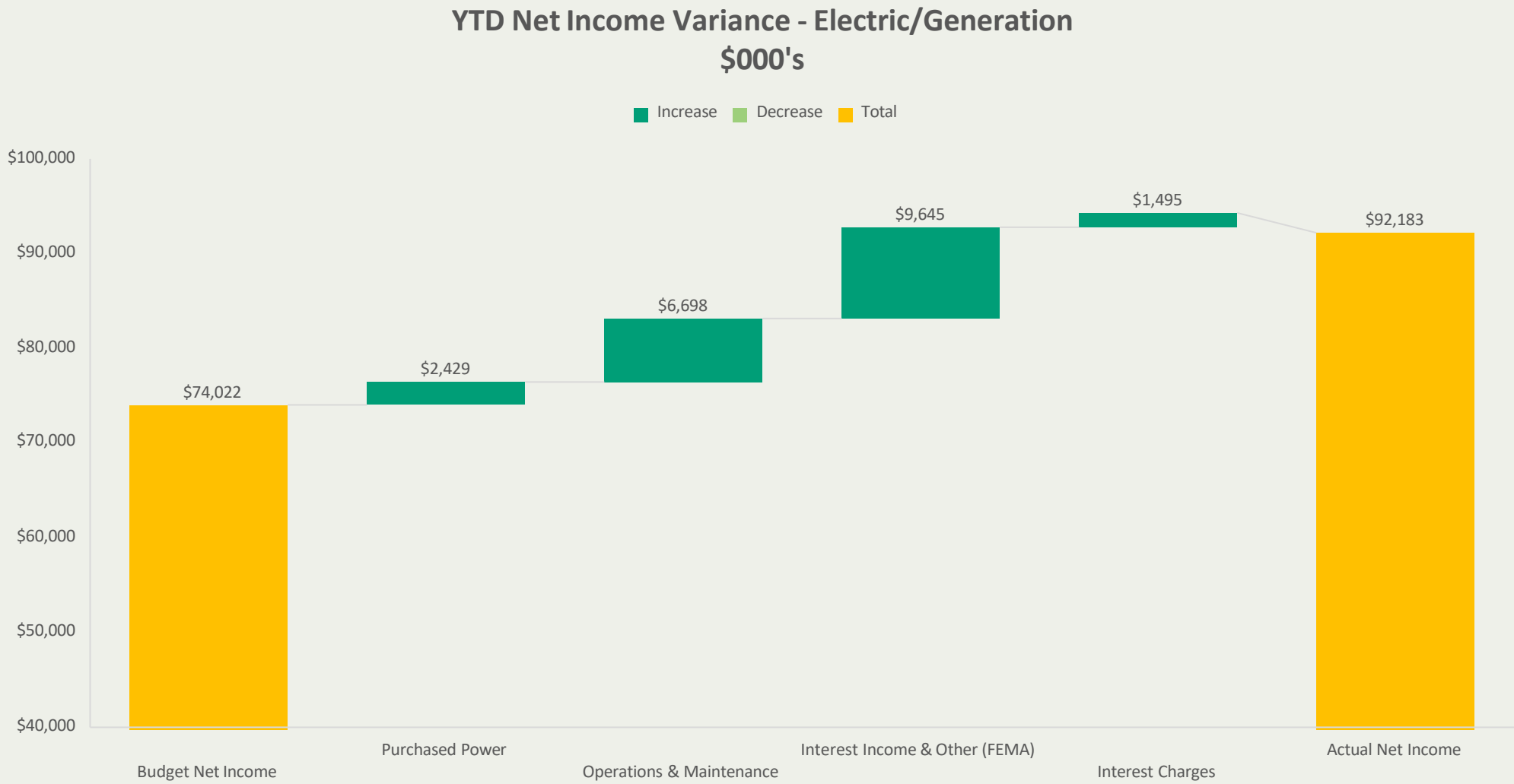
- **Operating Revenues:** Retail sales are near budget due to a slight increase in residential customers and the April 1, 2026, rate increase. Energy Wholesale Sales are trending close to budget with slightly lower than planned wind generation. The sale of this power is sold directly to our counterparties. Other Operating Revenue is slightly ahead of budget due to the sale of Renewable Energy Credits (REC's) and revenue from the Residential Exchange Program.
- **Operating Expenses:** Purchased Power has no major variances of note. The underspend in Operations and Maintenance is primarily due to timing of contracts and services spend; all other categories are close to budget.
- **Non-Operating Income/Expense:** Interest Income and Other is ahead of budget due to the receipt of $11M in FEMA money for the 2022 Storm.
- **Capital Expenditures:** Capital project updates and variance explanations can be found in the appendix.

($000's)

	YTD Budget through April	YTD Results through April	Variance
Operating Revenues			
Energy Retail Sales	$ 290,567	$ 291,303	$ 736
Energy Wholesale Sales	8,887	8,097	(790)
Other Operating Revenues	9,688	10,365	677
Total Operating Revenues	**$ 309,142**	**$ 309,765**	**$ 623**
Operating Expenses			
Purchased Power	$ 98,238	95,809	$ (2,429)
Operations & Maintenance	107,421	100,723	(6,698)
Taxes	15,953	18,150	2,197
Depreciation	25,779	26,238	459
Total Operating Expenses	**$ 247,391**	**$ 240,920**	**$ (9,886)**
Net Operating Income	**$ 61,751**	**$ 68,845**	**$ 7,094**
Interest Income & Other	9,271	18,916	9,645
Interest Charges	(9,217)	(7,722)	1,495
Contributions	12,217	12,144	(73)
Net Income	**$ 74,022**	**$ 92,183**	**$ 18,161**
Capital Expenditures	$ 86,754	$ 67,284	$ (19,470)

Beginning in 2026, Financial Reporting is now a consolidation of the Electric and Generation Systems. Data may vary from the approved budget, Exhibit A.

Electric/Generation Net Income YTD Variance



Electric/Generation System Forecast

- **Operating Revenues:** Retail sales are under budget due to warmer weather and lower loads in the first quarter of the year. Wholesale sales is under budget due to less than predicted wind generation. Other operating revenues is expected to be on target for year-end.

- **Operating Expense:** We are experiencing greater financial stability with the switch to Load Following therefore there is little variance for Purchased Power. The variance seen is for the anticipated cost of the Columbia River System Operations (CRSO) Litigation to begin in Q4-2026. Operations and Maintenance is showing over budget and will be closely monitored throughout the year.

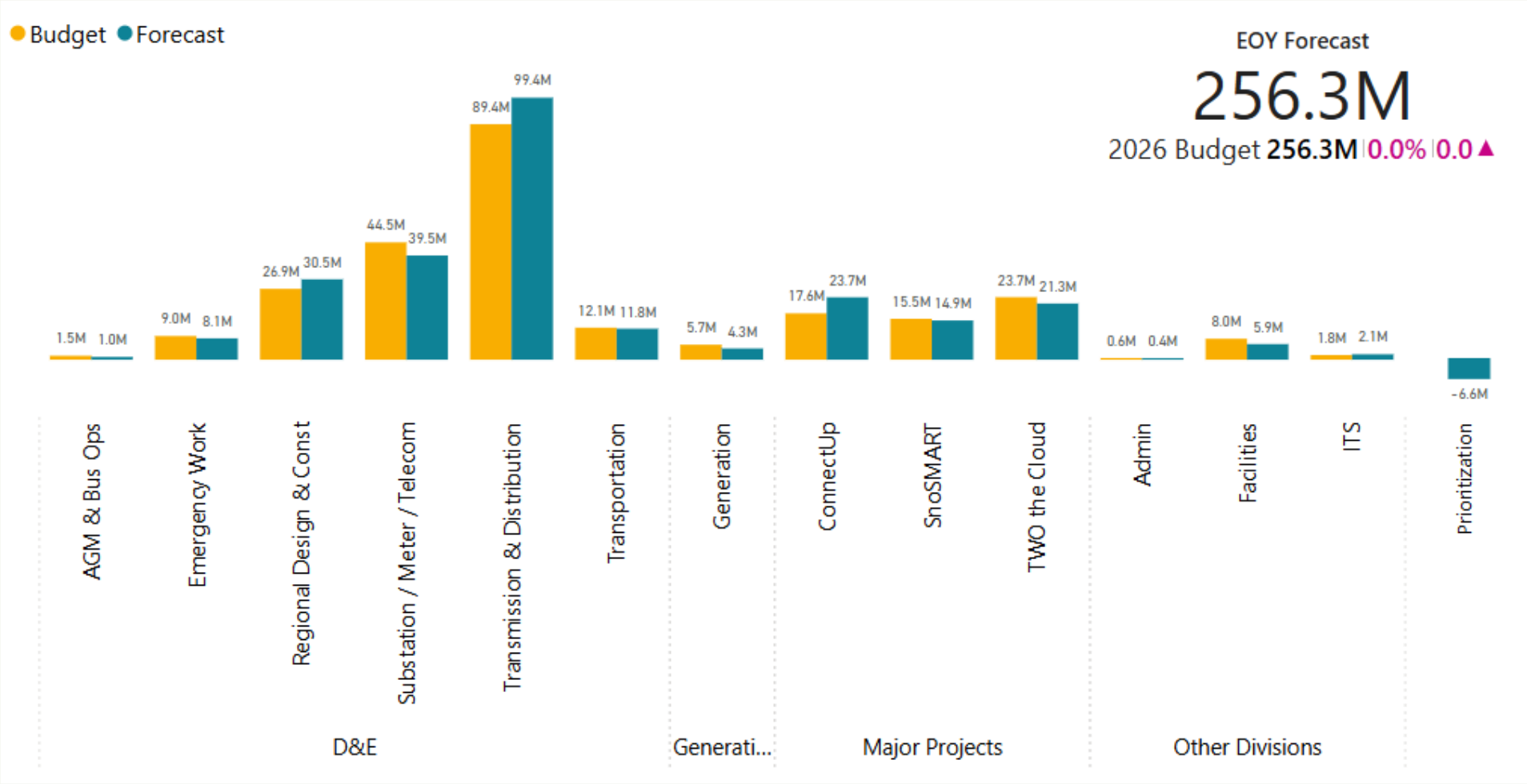
- **Non-Operating Income/Expense:** Interest Income and Other exceeds budget by the $11M in FEMA money received in the first quarter. Interest Charges and Contributions are expected to be at or near budget by year-end.

($000's)

	2026 Budget	2026 Projection	Variance
Operating Revenues			
Energy Retail Sales	$ 766,866	$ 765,129	$ (1,737)
Energy Wholesale Sales	27,678	25,893	(1,785)
Other Operating Revenues	38,565	39,054	489
Total Operating Revenues	**$ 833,109**	**$ 830,075**	**$ (3,034)**
Operating Expenses			
Purchased Power	$ 289,747	$ 293,675	$ 3,928
Operations & Maintenance	322,262	326,050	3,787
Taxes	47,858	47,814	(44)
Depreciation	77,338	75,775	(1,563)
Total Operating Expenses	**$ 737,207**	**$ 743,315**	**$ 6,108**
Net Operating Income	**$ 95,903**	**$ 86,760**	**$ (9,141)**
Interest Income & Other	30,503	41,144	10,641
Interest Charges	(26,876)	(28,445)	(1,569)
Contributions	36,752	36,661	(91)
Net Income	**$ 136,281**	**$ 136,120**	**$ (159)**
Capital Expenditures	$ 254,656	$ 253,247	$ (1,409)

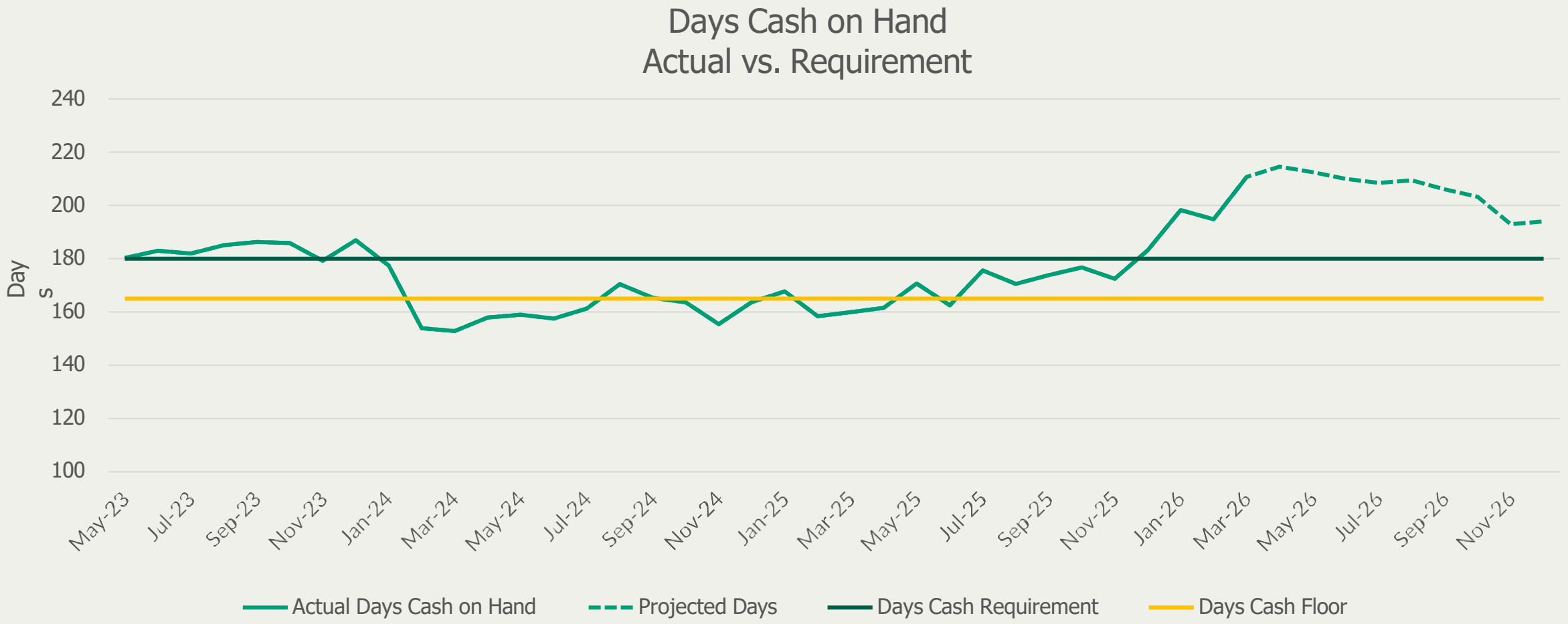
Beginning in 2026, Financial Reporting is now a consolidation of the Electric and Generation Systems. Data may vary from the approved budget, Exhibit A.

Capital Forecast



Liquidity Trend & Outlook - Electric

Projected to remain above target through year-end, with cushion narrowing as capital timing and consumption normalizes through summer months.



Water System Status Report



Water System Financial Indicators

Retail Revenues

data through Apr 30, 2026

Actual YTD
$5.4M

Budget YTD **$5.3M** | +2% | +89.3K ▲

EOY Forecast
$18.2M

2026 Budget **$18.1M** | +0% | +89.3K ▲

Capital Spend

data through Apr 30, 2026

Actual YTD
$3.1M

Budget YTD **$5.4M** | -43% | -2.3M ▼

EOY Forecast
$19.0M

2026 Budget **$21.3M** | -11% | -2.3M ▼

Net Income

data through Apr 30, 2026

Actual YTD
$624.7K

Budget YTD **$631.0K** | -1% | -6.3K ▼

EOY Forecast
$3.4M

2026 Budget **$3.1M** | +11% | +345.9K ▲

Days Cash on Hand

data through Apr 30, 2026

Actual
145

Requirement **150** | -5 ▼

Floor **135** | +10 ▲

2026 Budget is **164**

Debt Service Coverage

data through: Apr 30, 2026

(Operating Cash Flow / Total Debt)

Actual**
3.7

2026 Budget **2.9** ▲

Requirement **1.8** ▲

***DSC actual is based on a rolling 12-month calculation.*

Bond Ratings

Agency	2024	2025
Moodys	Aa2	Aa2
S&P Global	AA	AA

Arrows indicate direction of comparison. Magenta indicates a negative comparison, green indicates a positive comparison, black indicates a neutral comparison.

Water System Results YTD

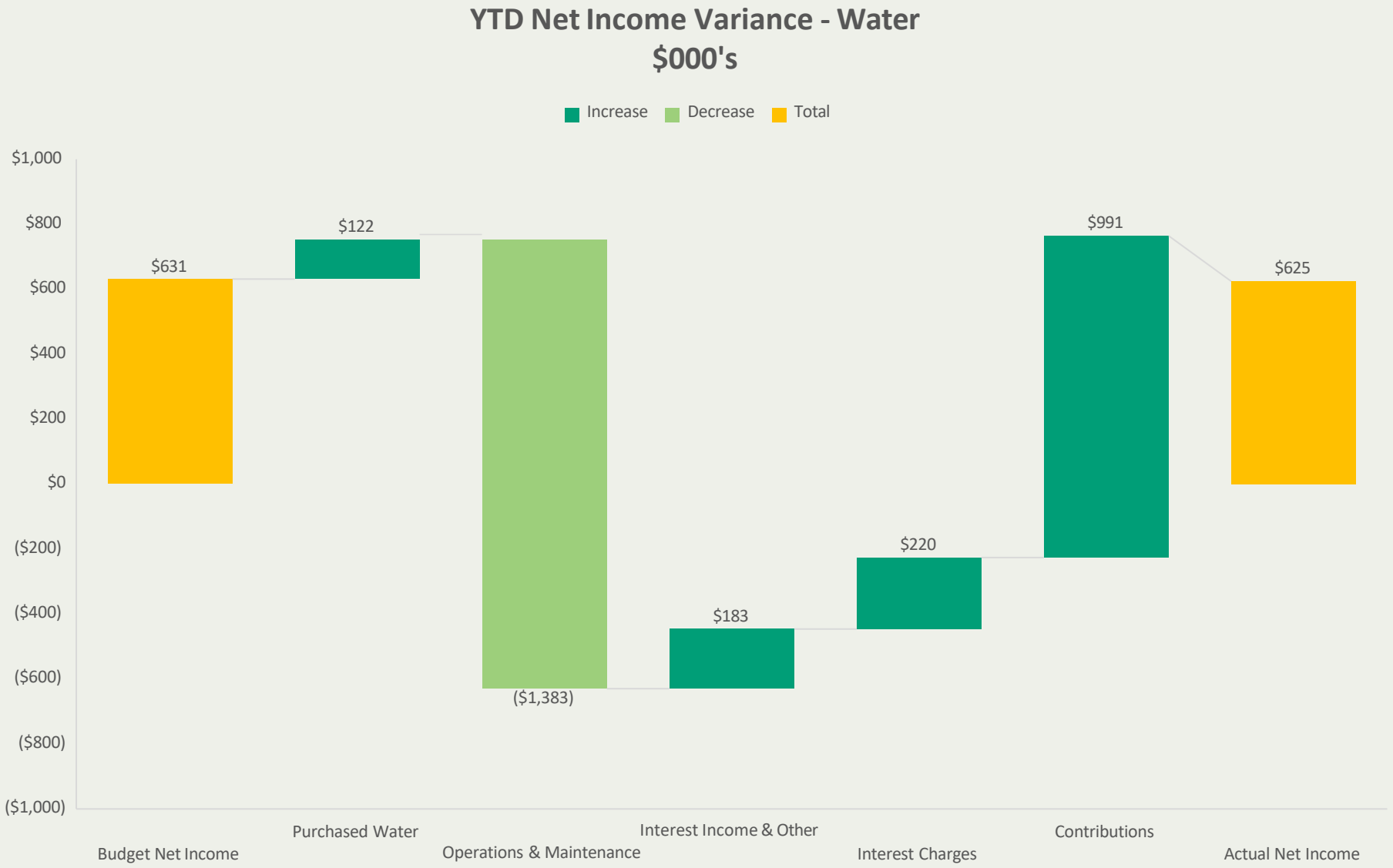
- **Operating Revenues:** No major variances of note.
- **Operating Expenses:** Purchased Water has no major variance of note. The overspend in Operations and Maintenance is on Shared Services, Treatment Equipment and Chemicals, and rollover projects from 2025 such as the Fall Protection Repairs / Upgrades, and the Wellhead Protection Plan.
- **Non-Operating Income/Expense:** Contributions are ahead of budget due to development completions during Q1.



($000's)

	YTD Budget through April	YTD Results through April	Variance
Operating Revenues			
Water Retail Sales	$ 5,278	$ 5,368	$ 90
Water Wholesale Sales	209	216	7
Other Operating Revenues	150	111	(39)
Total Operating Revenues	**$ 5,637**	**$ 5,695**	**$ 58**
Operating Expenses			
Purchased Water	$ 1,150	$ 1,028	$ (122)
Operations & Maintenance	3,235	4,618	1,383
Taxes	275	303	28
Depreciation	1,309	1,480	171
Total Operating Expenses	**$ 5,969**	**$ 7,429**	**$ 1,460**
Net Operating Income	**$ (332)**	**$ (1,734)**	**$ (1,402)**
Interest Income & Other	95	278	183
Interest Charges	(516)	(296)	220
Contributions	1,384	2,375	991
Net Income	**$ 631**	**$ 625**	**$ (6)**
Capital Expenditures	5,390	3,089	(2,301)

Water System Net Income YTD Variance



Water System Forecast

- **Operating Revenues:** All revenues are projected to come in close to budget by year-end.
- **Operating Expenses:** The major variance for expenses is in Operating and Maintenance, and this is due to higher than planned Shared Services from the Electric System.
- **Non-Operating Income/Expense:** All items are projected to be close to budget by year-end. Contributions will continue to be above due to higher developer activity in Q1.

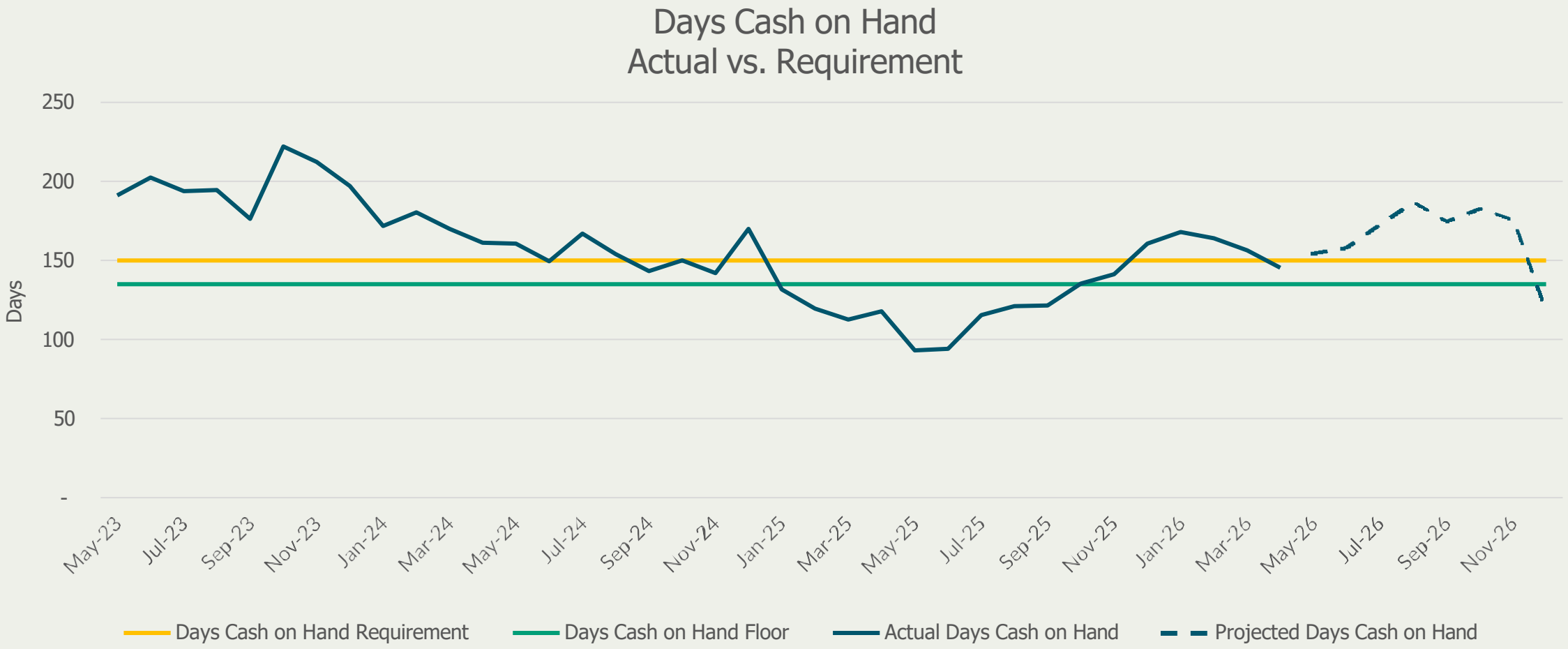


($000's)

	2026 Budget	2026 Projection	Variance
Operating Revenues			
Water Retail Sales	$ 18,069	$ 18,158	$ 89
Water Wholesale Sales	753	760	7
Other Operating Revenues	451	412	(39)
Total Operating Revenues	**$ 19,272**	**$ 19,330**	**$ 58**
Operating Expenses			
Purchased Water	$ 4,497	$ 4,375	$ (122)
Operations & Maintenance	9,706	10,794	1,088
Taxes	941	969	28
Depreciation	3,927	4,098	171
Total Operating Expenses	**$ 19,072**	**$ 20,236**	**$ 1,164**
Net Operating Income	**$ 200**	**$ (906)**	**$ (1,106)**
Interest Income & Other	286	587	301
Interest Charges	(1,549)	(1,385)	164
Contributions	4,151	5,140	989
Net Income	**$ 3,090**	**$ 3,436**	**$ 346**
Capital Expenditures	21,268	18,967	(2,301)

Liquidity Trend & Outlook - Water

Projected to remain below target in the near term, improving over time in alignment with the policy phase-in through 2029, with increased sensitivity to capital and operating timing while cushion is reduced.



Appendix



Project Status Reports

All numbers are $000s



Substation / System Reliability / Telecom

Substation

New: Crosswind construction is 98% complete with energization in 2026. Paradise and Cathcart substations and Clearview switching station are in the design phase. Getchell switching station site construction starts this year with electrical construction in 2027.

Upgrades: Brier substation upgrade is under construction, Picnic Point, Canyon Park, Frontier, Westgate, Delta-Everett (new line) are in the design phase. Stimson (convert to breaker-and-a-half) site construction started in April with electrical construction starting later in 2026 and into 2027. **The EOY variance** is due to the accelerated Clearview property purchase in 2025, approximately $2.4M, plus various other project construction and procurement delays. **The YTD variance** due to varying monthly charges which is typical for substation projects.

YTD Budget	YTD Results	2026 Budget	2026 Forecast
$16,440	$5,100	$44,521	$39,543



Crosswind

System Reliability

Eight substation system reliability projects are planned for 2026. Four finished in April. Two are ready for construction (late April thru July) and the other two are in the design phase.

Telecom

The Next Gen Substation Transport project is ahead of schedule with all the proposed equipment installed in the field. The focus will be on transferring services over to the new equipment. Fifteen of seventeen radio sites have been installed on the radio replacement project, and half the critical user vehicle installs are complete.

Transmission & Distribution Projects

Approximately 414 bad order poles including 16 transmission poles and 3.6 miles of depreciated underground (UG) cable have been replaced.

The last section of the Twin City distribution upgrade project which includes approximately 3.4 miles of Overhead (OH) rebuild along 268th St NW (~640 crew hours) is currently in construction and estimated for completion in early 2026. The $600k was initially expected in 2025. Hat Island submersible cable was delivered in December 2025 with installation currently scheduled for completion by the end of this year.

Construction on the 115kV rebuild of the old Stanwood-Camano, and the Stanwood-Sills lines are underway and will be complete by end of 2026. Construction on the 115kV Crosswind line, which was budgeted to be completed in 2025, has been delayed further due to a filed complaint with the FAA. It now has an estimated completion date of Q3 2026 with an expected spend of over $5M hitting this year.

Customer driven line extension have been higher than projected so far with an expected overrun of $750k at this time. This could change by end of Q2.

YTD Budget	YTD Results	2026 Budget	2026 Forecast
$29,748	$22,069	$89,352	$99,312



Stanwood-Camano

Regional Design and Construction

This budget consists of customer reimbursable work.

Electrification codes and car charging stations have increased significantly since 2023.

Current overrun is driven by more line extension work, 40% increase in number of large transformers 750kva - 2500kva.

We are approximately $2M over budget in total pad mount transformers.

YTD Budget	YTD Results	2026 Budget	2026 Forecast
$8,963	$12,458	$26,890	$30,621



Emergency Work and Major Storms

Charges to this budget are transfers from Emergency orders originally charged to expense and later determined to belong in capital. We are still expecting more charges to transfer from the storms that occurred at the end of 2025.

YTD Budget	YTD Results	2026 Budget	2026 Forecast
$3,000	$2,631	$9,000	$8,106





Transportation

The current forecast is adjusted to account for manufacturing delays. In the meantime, equipment rental costs continue to be higher than planned to support large District projects.

Fuel costs, while not capital, are being closely monitored.

YTD Budget	YTD Results	2026 Budget	2026 Forecast
$4,049	$2,763	$12,147	$11,770



Information Technology Systems

The District's network, computer, and storage infrastructure requires regular investments to remain reliable, secure, compliant, and maintainable. IT will spend the entire capital budget by the end of the year to keep infrastructure up to date.

The forecast includes strategic and operational technology projects that have begun or will begin this year such as the Contract Management System replacement, Visitor Management, and NERC CIP Tool implementation.The variance between the budget and the forecast is primarily due to GASB 96 accounting standards/rules regarding capitalization of cloud/software-as-a-service software which has shifted some costs from O&M to capital.

YTD Budget	YTD Results	2026 Budget	2026 Forecast
$588	$132	$1,763	$1,887



Facilities

In progress:

- VMB Lift Replacement: This is a 5-year project replacing a total of 8 lifts. 5 will be upgraded to larger capacity and adding a lift to the exterior wash bay for mechanical discovery. This project is on budget.
- The demolition of the EB North Tower Boilers and Chillers is on schedule and budget.
- The demolition of the Halls Lake site has begun. It is anticipated this project will be over budget by approximately $278k due to Telecomm cost being higher than planned. The overage will be absorbed by the postponement of the Ops land development project.
- Darrington Generator and Gunnysack Generator are over 30 years old. Due to their critical need, they will be replaced, bringing them up to code, adding options for portable generators and mitigating future disasters from happening with modern fixes.
- Conference Room Tech Upgrades: Upgrades to 15 conference rooms to add Logitech and 6 rooms to add QSC products across district sites to match equipment installed at North County. Project is on budget.
- VMB Tire Racking: Replacement of tire storage racking in vehicle maintenance building tire room and tire storage building, as well as upgrade of fire sprinkler system. Project is on budget.

YTD Budget	YTD Results	2026 Budget	2026 Forecast
$2,652	$1,103	$7,956	$5,917



Facilities Continued

Not Started:

- Data Center Modification: IT has requested removal of obsolete data storage equipment in the data center and has proposed an enclosed setup/storage area in the data center as an alternate use to the obsolete data storage equipment. Budget is $104k.
- Admin Air Handler Unit Replacement: The ASHRAE Level 2 audits performed in 2024 require replacement of aging air handlers at the Ops admin building to support the Admin/Engineering/ECDC building eventually complying directly with the energy use intensity target. Budget is $1.1M.

Postponed:

- Ops Land Development: This project has been postponed. Budget of $495k will be allocated to other emergent projects.







Generation System

Many of the Generation Capital projects are in various stages of the bid process. Results so far are for smaller campus improvements. Status of the capital projects are as follows:

- Jackson Switchyard Transformer Replacement: Bids for this project are due in May with a budget of $1.98M.
- Powerhouse freight elevator modernization project: Bids for this project will occur in Q2 with work completed in Q3/4. Budget is $874K.
- U3&U4 TSV & U3 Bypass PRV replacement – Bids for this project will be in Q3 with material acceptance by year-end. Budget is $405K.
- New tractor/mower is in procurement with transportation. Budget is $337K.

YTD Budget	YTD Results	2026 Budget	2026 Forecast
$1,894	$485	$5,680	$4,272



Water System

- Kayak Reservoir: This is a 2-year project that is completed late April / early May.
- Burn Rd Reservoir: This is a multi-year project; permitting is pending county review. Target project bid in July 2026 with construction in 2026/2027.
- 103rd Ave SE AC Main Replacement: The survey is complete. Design work is scheduled to complete in May with a target project bid of May/June. Construction to begin this summer.
- 101st Ave / 28th St NE Main Replacement: The design work for this project began in April.
- Blue Spruce / 177th Ave / 178th Dr NE / 119th Main Replacement: Design survey is complete with design work in progress. Bid in June with construction in July-August.
- Lake Stevens Treatment Plant Improvements: Design work for this project is in process with construction scheduled for 2027.
- Warm Beach Reservoir: Feasibility study & design work is scheduled to explore reservoir sizing, type, and construction analysis on newly purchased property west of the existing treatment plant site.

YTD Budget	YTD Results	2026 Budget	2026 Forecast
$5,390	$3,089	$21,268	$18,967

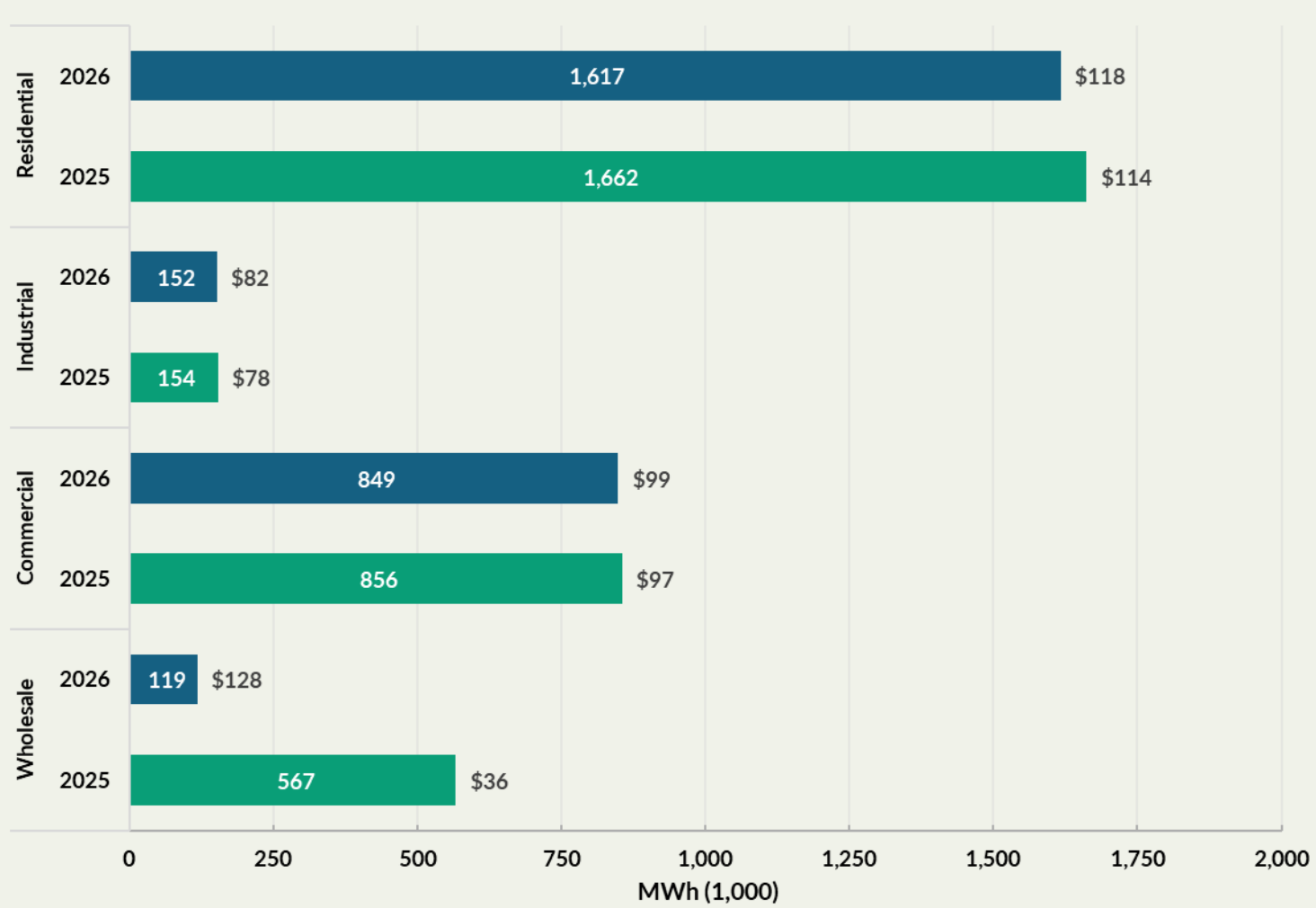


Additional Financial Data



Megawatt Hours Billed* and Revenue per MWh

Year to date through April 30, 2026



*Thousands

This graph shows the Electric System's billed MWh results for 2026 (blue) vs. 2025 (green).

Residential: Usage is down -2.7% and revenue per MWh is up +4.0% compared to 2025.

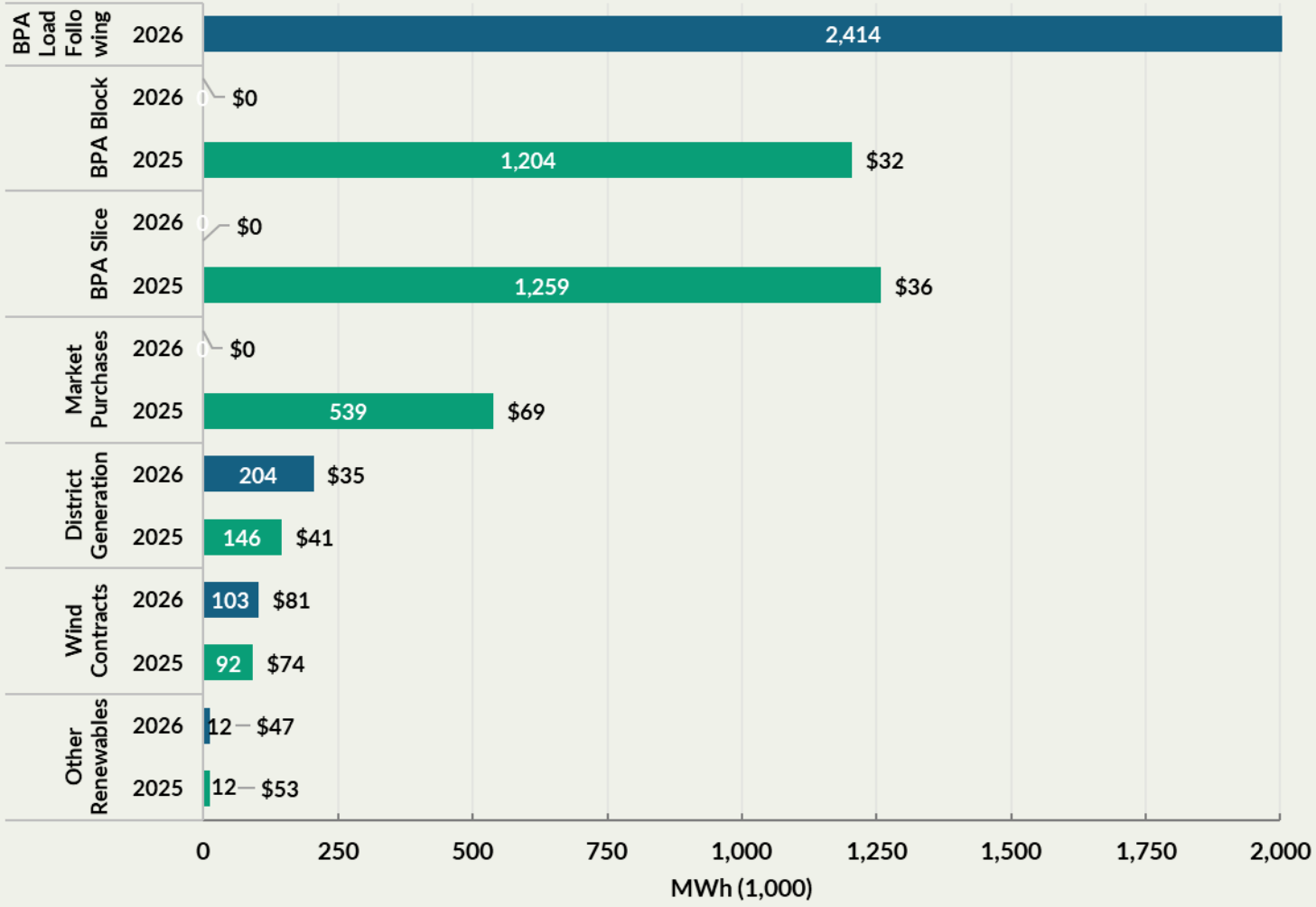
Commercial and Industrial: Commercial usage is down -0.9%, with a +2.2% increase in revenue per MWh.
Industrial usage is down -1.2%, with revenue per MWh increasing by 4.6%.

Combined Retail Sales (Residential, Commercial, & Industrial) 3.5% increase in revenue per MWh due to 2025 rate increases.

Wholesale: Sales volume is down –79.0%, and average selling price per MWh is up 253.3%. The District is now using BPA's load following product reducing the amount of electricity we have to sell on the open market, while we are selling our Calligan and Hancock generation directly to a third party.

Megawatt Hours Supply* and Cost per MWh

Year to date through April 30, 2026



*Thousands

Electric System's power supply in MWh for 2026 (blue) vs. 2025 (green).

- **BPA Load Following – New Q4 2025:** PUD switched from BPA Block and Slice Products to BPA Load Following. This gives the PUD flexibility to always meet our demand and reduces the amount purchased on the open market.
  - BPA Load Following product has eliminated BPA Block, Slice, and market purchases.

- **District Generation**: District Generation supply is up 40%. Utility Plant, Operations and Maintenance costs are down contributing to lower cost per MWh.
  - Hancock and Calligan output are now being sold to a third party.

BUSINESS OF THE COMMISSION

Meeting Date: June 9, 2026 **Agenda Item:** 7A

TITLE

Governance Planning Calendar

SUBMITTED FOR: Governance Planning

Commission	Allison Morrison	8037
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 - 2026

To Be Schedule	• Active Threat Awareness • ERMC Policy Update • New ERMC Framework • Facilities Comprehensive Plan • Training Center Rentals • Ruby Flats Solar Project Briefing

For Planning Purposes Only and Subject to Change at any Time

Governance Planning Calendar - 2026

Date	Agenda Items
June 9, 2026	**Briefing and Study Session:** • Media • Community Engagement • Treasury Report • ~~Environmental Program~~ (Moved to July 21) • Decorative Wraps on District Equipment • Bonneville Power Administration Tier 2 Power Election • Update on Department of Ecology Nomination of Upper Sultan River • ~~SnoSMART Quarterly Update~~ (Moved to July 7) • Burn Road Reservoir PUD Property Future ROW Reservation • ~~Water Utility Update~~ (Moved to July 7) • Large Load Principles Draft Review • Purchase of Property for Future Substation • BNSF Deer Creek Flats Radio Tower Lease Amendment **Monitoring Report:** • 1st Quarter 2026 Financial Conditions and Activities

For Planning Purposes Only and Subject to Change at any Time

Governance Planning Calendar - 2026

Date	Agenda Items
June 23, 2026	**Briefing and Study Session:** • Connect Up • Annual System Reliability Report • Rates Program Strategy • ~~Large Load Principles Draft Review~~ (moved to June 9) • Energy Services Energy Assistance 2024 – 2025 Results • ~~Energy Efficiency Program Update: Telecom/Data Center Retrofits~~ (Moved to October 6) • Customer Service Regulations Updates • ~~BPA Product Switch Update~~ (Moved to July 7) • Surplus and Sale of 9-Acres of Property Located at 18306 62nd St NE Snohomish • Income Qualified Weatherization for Island County • Grant Extension to Bus Charging Project with Everett Transit **Public Hearing and Action:** • Disposal of Surplus Property – 3rd Quarter • Burn Road Reservoir PUD Property Future ROW Reservation • Purchase of Property for Future Substation

For Planning Purposes Only and Subject to Change at any Time

Governance Planning Calendar - 2026

Date	Agenda Items
July 7, 2026	**Briefing and Study Session:** • Media • SnoSMART Update • BPA Product Switch Update • Water Utility Update **Public Hearing:** • Rates Program FlexReady Business Pilot Rate **Public Hearing and Action:** • Surplus and Sale of 9-Acres of Property Located at 18306 62nd St NE Snohomish
July 21, 2026	**Briefing and Study Session:** • Energy Risk Management Report • Environmental Program **Public Hearing and Action:** • Rates Program FlexReady Business Pilot Rate **Monitoring Report:** • Asset Protection

For Planning Purposes Only and Subject to Change at any Time

Governance Planning Calendar - 2026

Date	Agenda Items
August 4, 2026	**Briefing and Study Session:** • Media • Customer Environmental Sustainability Goals Working Group
August 18, 2026	**Briefing and Study Session:** • Strategic Plan • Education Program Update **2027 Budget Notice of Public Hearing** **Monitoring Report:** • 2nd Quarter 2026 Financial Conditions and Activities

For Planning Purposes Only and Subject to Change at any Time

Governance Planning Calendar - 2026

Date	Agenda Items
September 1, 2026	**Briefing and Study Session:** • Media •
September 15, 2026	**Briefing and Study Session:** • Connect Up Quarterly Update **Public Hearing and Action:** • Disposal of Surplus Property – 4th Quarter
***September 19, 2026**	**Special Meeting:** • El Sol al Alcance de tus Manos Ribbon Cutting

For Planning Purposes Only and Subject to Change at any Time

Governance Planning Calendar - 2026

Date	Agenda Items
October 6, 2026	**Briefing and Study Session:** • Media **Public Hearing:** • Open the 2027 Proposed Budget Public Hearing
October 20, 2026	**Briefing and Study Session:** • Energy Risk Management Report **Public Hearing:** • Continue Proposed 2027 Budget Public Hearing

For Planning Purposes Only and Subject to Change at any Time

Governance Planning Calendar - 2026

Date	Agenda Items
November 3, 2026	**Briefing and Study Session:** • Media • Strategic Plan Quarterly Update **Public Hearing:** • Continue Proposed 2027 Budget Public Hearing **Monitoring Report:** • 3rd Quarter 2026 Financial Conditions and Activities
November 17, 2026	**Briefing and Study Session:** • Community Engagement **Public Hearing:** • Continue Proposed 2027 Budget Public Hearing

For Planning Purposes Only and Subject to Change at any Time

Governance Planning Calendar - 2026

Date	Agenda Items
December 1, 2026	**Briefing and Study Session:** • Media • Connect Up • Audit Activity Update **Public Hearing and Action:** • Adopt 2027 Budget **Monitoring Report:** • Annual Financial Planning and Budgeting
December 15, 2026	**Briefing and Study Session:** • Community Engagement • SnoSMART **Public Hearing and Action**: • Roll for LUD No. XX • Disposal of Surplus Property – 1st Quarter

For Planning Purposes Only and Subject to Change at any Time

Governance Planning Calendar - 2026

2026 Year-at-a-Glance Calendar

January

S	M	T	W	T	F	S
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February

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March

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June

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July

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September

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October

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November

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29	30					

December

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20	21	22	23	24	25	26
27	28	29	30	31		

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E X E C U T I V E S E S S I O N

Tuesday, June 9, 2026

At the Conclusion of the Regular Meeting

Discussion of Current or Potential Litigation – Approximately 30 Minutes.

AT PLACES
AGENDA ITEM NO. 08X.01

SNOHOMISH COUNTY PUD
PUBLIC UTILITY DISTRICT NO. 1

EXECUTIVE SESSIONS CHECKLIST

Meeting Date: 6/9/2026

Subjects To Be Discussed (NO "FINAL ACTION")	Mark if Applicable
NOTE: Only subject identified in RCW 42.30.110(1) can be discussed in executive session.	☐
• Discuss matters affecting national security (.110(1)(a)(i))	☐
• Discuss computer and telecomm. security and risk assessments if identifies vulnerabilities or if disclosure would increase risk (.110(1)(a)(ii))	☐
• Discuss lease or purchase of real estate if disclosure would increase price (.110(1)(b))	☐
• Determine minimum offering price for sale or lease if disclosure would decrease price ➢ **NOTE: Final action selling or leasing must be taken in open session** (.110(1)(c))	☐
• Review negotiations on the performance of a public bid contract (.110(1)(d))	☐
• Review complaints or charges brought against a public officer or employee (.110(1)(f)) ➢ At accused's requests, discussion must be in open session	☐
• Review qualifications of applicant for public employment (.110(a)(g))	☐
• Review performance of a public employee (.110(1)(g))	☐
• Review qualifications of candidate for appointment to elective office (.110(1)(h))	☐
• Discuss enforcement action with legal counsel (.110(1)(i))	☐
• Discuss current or potential litigation with legal counsel (.110(1)(i))	☒
• Discuss legal risks of current practice or proposed action with legal counsel (.110(1)(i))	☒
• Discuss collective bargaining contracts or other .140 topics not subject to the OPMA	☐

Mandatory: Executive Session Topic(s) Announced During Open Session ☒ **yes** ☐ **no**

Name of legal counsel present for executive session: Branda Andrade, Colin Willenbrock, Ava Green

Additional Information

Mandatory: Time Executive Session Will End Announced During Open Session ☒ **yes** ☐ **no**

- Length of session: 60 min (hr/min) Meeting recessed: 12:16
- Start Time: 12:30 Time concluded: 1240
- End Time: _____ (announced in open session before executive session re-starts)
- Extended end time: 1248 (announced in open session at original end time before returning)
- Extended end time: _____ (announced in open session at original end time before returning)
- Extended end time: _____ (announced in open session at original end time before returning)
- For Executive Sessions held at the end of the meeting:
  - Time concluded: _____ Meeting adjourned: _____

NOTE, open session (CANNOT RESUME until AFTER the announced end time.)

At the start of Executive Session, remind participants that discussions are confidential.

Subject Matter list Form completed by: _____ Date: 6/9/2026