



Board of Commissioners Meeting
February 5, 2019 - 5:00 PM
63 Four Corners Rd. Jefferson County Transit

PUD REGULAR BOARD MEETING

1. CALL TO ORDER
2. AGENDA APPROVAL
3. GENERAL PUBLIC COMMENT: This public comment period is for any items not (15 min) specifically listed on the current Agenda or for items listed on the Consent Agenda. The Chair will also permit public comments on the other agenda items as they come up during the meeting. The Chair may place time limits on public comments to allow the meeting to be conducted in an efficient and orderly manner.
4. APPROVAL AND ADOPTION OF THE CONSENT AGENDA: Items listed below have been distributed to the Commissioners in advance for study and will be enacted by one motion. If separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Agenda, at a specific time, at the request of any of the Commissioners.
 - 4.1 APPROVAL OF MINUTES
 - Minutes from 1/2/19 Regular BOC meeting
 - Minutes from 1/15/19, Special meeting
 - Minutes from 1/15/19, Special meeting/Executive session
 - Minutes from 1/15/19, Regular BOC meeting
 - 4.2 APPROVAL OF VOUCHERS
 - 4.2.1 Voucher certification form with supporting warrant register and payroll form
 - 4.2.2 BOC approval of voucher approval form
 - 4.2.3 Financial Highlights December 2018
 - 4.3 ACTION ITEMS
 - 4.3.1 COLA for non-represented employees, Resolution 2019-07
 - 4.3.2 IBEW MOU
 - 4.3.3 Approval of Resolution 2019-06 Larry Dunbar Separation Agreement
 - 4.3.4 Approval of Resolution 2019-09 Appointment of Acting Manager to comply with filings to RUS

END OF CONSENT AGENDA

- 5.0 COMMISSIONER REPORTS
- 6.0 GENERAL MANAGER REPORT
- 7.0 ACTION ITEMS REQUIREING BOARD DISCUSSION
 - 7.1.1 Federal Employees furlowed or working without pay
 - 7.1.2 Salary Survey for non-represented employees
 - 7.1.3 Timberland Services Agreement
- 8. SIGNING OF DOCUMENTS
- 9. ADJOURN



**PUBLIC UTILITY DISTRICT NO. 1
of Jefferson County**

January 2, 2019

**Board of Commissioners
Regular Meeting**

Draft Minutes

The Regular Meeting of the Public Utility District No. 1 of Jefferson County (PUD) was called to order by the President of the Board of Commissioners (Board or BOC) at 5:00 p.m. on January 2, 2019, at the Jefferson Transit Conference Room, at 63 Four Corners Road, Port Townsend, Washington, 98368. Present:

Commissioner Jeff Randall, President
Commissioner Kenneth Collins, Secretary
Commissioner Dan Toepper, Vice President

Kevin Streett, Assistant General Manager
Joel Paisner, General Counsel
Annette Johnson, Executive Assistant/Records Officer
Jean Hall, Customer Service Manager
Will O'Donnell, Communications Manager
Jimmy Scarborough, Interim Electrical Engineering Supervisor
Don McDaniel, Consultant

Cammy Brown, Recorder

1. CALL TO ORDER:

Commissioner Jeff Randall called the regular meeting of the PUD Board of Commissioners for January 2, 2019 to order at 5:00 p.m.

INTRODUCTIONS: Commissioner Jeff Randall started out the meeting with asking for voluntary introductions from the commissioners and staff.

2. AGENDA APPROVAL:

MOTION: Commissioner Dan Toepper made a motion to approve the Agenda. Commissioner Kenneth Collins seconded that motion. Motion carried unanimously.

3. GENERAL PUBLIC COMMENT: Commissioner Jeff Randall presented the guidelines to for members of the public to submit their comments.

- Concerns about time and money spent on hiring a General Manager. What happened?
Response: Consultant will provide the service of searching for other candidates for General Manager position at no cost. Rest of question relates to an ongoing personnel matter and because of its nature the BOC cannot comment on.

4. APPROVAL AND ADOPTION OF THE CONSENT AGENDA:

Commissioner Kenneth Collins removed 4.1.1 Draft Regular BOC Minutes for 12/11/18 Regular meeting from the Consent Agenda and moved to Action Items Requiring Board Discussion before 7.1.1.

MOTION: Commissioner Kenneth Collins made a motion to approve and adopt the Consent Agenda as modified. Commissioner Dan Toepper seconded the motion. Motion carried unanimously.

4.1 APPROVAL OF MINUTES:

- 4.1.1 Draft Regular BOC minutes December 11, 2018 (moved to Action Items).
- 4.1.2 Draft Special Meeting Minutes for 12/18/18.

4.2 APPROVAL OF VOUCHERS:

- 4.2.1 Voucher Certification form with supporting warrant register and payroll.
- 4.2.2 BOC Approval of Voucher Approval form.
- 4.2.3 November Financials 2018.

PENDING INVOICES OVER \$100,000 TO BE APPROVED:

Michels Irondale expansion invoice 285396 dated 12/12/2018 for \$375,360.25
Michels Irondale expansion invoice 285395 dated 12/12/2018 for \$131,366.17

PAYMENTS TO BE APPROVED:

WARRANTS	AMOUNT	DATE
Accounts Payable: # 118714 to # 118737	\$ 200,372.54	12/06/2018
Accounts Payable: # 118738 to # 119051	\$ 251,433.84	12/07/2018
Accounts Payable: # 119052 to # 119112	\$ 724,646.00	12/13/2018
Accounts Payable: # 119113 to # 119159	\$ 606,821.61	12/20/2018
Payroll Checks: # 70529 to # 70534	\$ 11,103.20	12/14/2018
Payroll Direct Deposit:	\$ 124,395.70	12/14/2018
TOTAL INVOICES PAID	\$ 1,918,772.89	

WIRE TRANSFERS PAID	AMOUNT	DATE
BPA	\$1,381,130.00	12/14/2018

GRAND TOTAL **\$3,299,902.89**

4.3 ACTION ITEMS

- 4.3.1 US Dept. of Agriculture-special use agreement.
- 4.3.2 BOC meeting calendar and Board positions.
- 4.3.3 Resolution 2019-003 Check account signers.
- 4.3.4 Write-offs for November 2018.

END OF CONSENT AGENDA

4. COMMISSIONERS' REPORTS:

Commissioner Dan Toepper:

Commissioner Jeff Randall welcomed Commissioner Dan Toepper to the BOC.

12/28/18 Attended Jefferson County Public Infrastructure Fund Meeting.

11/28/18 Attended Quilcene School Board Meeting.
12/4/18 to
12/6/18 Attended WPUA Meeting.
Met with Assistant General Manager Kevin Streett.
Met with other board commissioners individually.
Met with RUS representative Rodney Peach.
Met with PUD General Counsel Joel Paisner.

Commissioner Jeff Randall:

12/16/18 to
12/17/18 Had phone conversations with CFO consultants, Don McDaniel, and General Counsel Joel Paisner regarding organizational performance and issues with General Manager.
12/18/18 Held interviews with five Chief Financial Officer (CFO) candidates.
12/19/18 Attended a special meeting evaluating the performance of the General Manager Larry Dunbar. After this evaluation Mr. Dunbar was put on paid administrative leave.
12/19/18 Met with Kevin Streett. He agreed to come back to work at the PUD.
12/20/18 Attended an all staff PUD meeting.
12/21/18 Attended a management team meeting. At this time Commissioner Randall shared an employment agreement with the commissioners authorizing him to negotiate with Kevin Streett (this was for information only and not an official handout).
12/22/18 to
12/26/18 Attended numerous meetings and phone conversations with management team and staff.
12/27/18 Participated in a meeting with Kevin Streett, General Counsel, Annette Johnson, Don McDaniel and CFO consultant by phone.
12/28/18 Followed up with consultant on CFO search.
12/28/18 Spoke with CFO applicant.
12/30/18 Spoke with CFO applicant.

Commissioner Kenneth Collins:

12/12/18 to
12/14/18 Attended a Public Power Council meeting.
12/14/18 Attended a meeting with Rodney Peach, the RUS Administrator.
12/18/18 Met with incoming commissioner Dan Toepper.
12/19/18 Attended a BOC meeting.
12/20/18 Attended a PUD management staff meeting.
12/24/18 Met with Kevin Streett.

12/28/18 Met with the PUD Communications Manager.
12/31/18 Met with Commissioner Dan Toepper.
01/02/19 Had a conference call with the WPUA Education Committee.

5. **GENERAL MANAGER REPORT:**

Assistant Manager Kevin Streett gave a report. Topics:

- Major outage last week.
- Set up a special meeting for capital projects with BOC and staff. January 29, 2019, 10:00 a.m.
- Set up a special meeting (executive sessions) for CFO interviews - January 22, 2019. (tentative dates).
- Proposed January 15, 2019, 10:00 a.m. – 12:00 p.m. meeting date for TCF building update and review customer service policies at PUD Operations Center.
- Don McDaniel gave an update on TCF building plans.
- Salary survey. Salary raises stay in place until BOC has reviewed survey. Some pay raises that were authorized by the outgoing General Manager through the end of the year would be expiring. Assistant General Manager Kevin Streett would like to continue those pay raises until the BOC can review salary schedule.
- Job descriptions. Not all employees have job descriptions. BOC requested status of job descriptions. Assistant General Manager Kevin Streett will send information to commissioners.
- Commissioners will be getting information on NoaNet's request on financing partnerships. Documentation will be provided to BOC. This will be on agenda at next BOC meeting.
- Employee Manual - Assistant General Manager Kevin Streett gave the recommendation to move forward on the review of the employee manual and policies. BOC will be getting two or three policies every Board meeting. General Counsel Joel Paisner will have this done and oversee process. There was a consensus of the BOC that Mr. Paisner proceed.
- Question: Was there a second labor/management meeting with IDEW?
Response: No, but Mr. Streett did have a conversation with IDEW to set up future meetings.
- Question: Any movement on the county scheduling a meeting to discuss electric franchise agreement?

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Response: Mr. Streett has requested to meet with county and city. Only meeting that has happened has been with the city. There will be future meetings. It is a county ordinance that needs to be adopted and the county schedules that.

6. ACTION ITEMS REQUIRING BOARD DISCUSSION:

4.1.1 Draft Regular BOC Minutes for 12/11/18.

Correction: Page 4 of 13 under Commissioner Kenneth Collins’ report – first bullet after 11-14-18. “There is legislation that the Governor’s Office is working **for** broadband funding for unserved and underserved areas is temporarily on hold.” It should be “There is legislation that the Governor’s Office is working **on** broadband funding for unserved and underserved areas **that** is temporarily on hold.”

Correction: Page 6 of 13 under Commissioner Jeff Randall’s report – 12-6-18 - spelling on **Ponderay** should be **Pend Oreille** in three places in that bullet.

Correction: Section 6. General Manager Report/Future Items: First bullet – **VIVA** should be corrected to **VEVA** (Volunteer Employees’ Beneficiary Association).

Correction: Page 6 of 13 – General Manager’s Report/Future Items: Third bullet: **PIP** Public Improvement Plan should be **PIF** Public Infrastructure Fund.

MOTION: Commissioner Kenneth Collins made a motion to approve the minutes as revised for the December 11, 2018, BOC meeting. Commissioner Dan Toepper seconded the motion. Motion carried unanimously.

7.1.1 Resolution 2019-004 Declaration of Emergency Regarding Recent Storm:

Assistant General Manager Kevin Streett gave a report and presented Resolution 2019-004 to be signed by the BOC.

MOTION: Commissioner Kenneth Collins made a motion to approve Resolution 2019-004 Declaration of Emergency Regarding Recent Storm. Commissioner Dan Toepper seconded the motion. Motion carried unanimously.

7.1.2 NoaNet Agreement Extension: General Counsel Joel Paisner gave a brief report on the NoaNet Interlocal Agreement (ILA) for an extension of ninety days.

MOTION: Commissioner Dan Toepper made a motion authorizing the Assistant General Manager to negotiate an extension of the NoaNet Interlocal Agreement. Commissioner Kenneth

Collins seconded the motion. Motion carried unanimously.

7.1.3 Memberships for Commissioners: Assistant General Manager Kevin Streett and the commissioners reviewed the membership organizations that they participate in. Mr. Streett asked the commissioners to re-evaluate their membership in the National Rural Electric Cooperative Association (NRECA) membership and recommended the BOC retain membership.

MOTION: Commissioner Jeff Randall made a motion that the BOC formally authorize staff to make sure that the PUD has not ended its membership to NRECA and that staff let the Western Public Agencies Group know that the BOC is not joining. Commissioner Kenneth Collins seconded the motion. Motion carried unanimously.

7.1.4 Real Estate 230 Chimacum Road Office: General Counsel Joel Paisner gave an update on the real estate transition of the proposed sale of the property at 230 Chimacum Road. Potential buyer in first offer exercised her option not to buy it. The PUD has a standing offer. Staff is seeking authority to negotiate with this back-up offer. This requires approval to allow the Assistant General Manager to execute a document releasing the escrow deposit from the first proposed purchaser so she can get her money back and then to give authorization to Assistant General Manager Kevin Streett and General Counsel Joel Paisner to negotiate with this back-up offer and have the authority to enter into a proposed agreement that would be presented to the commissioners up to the amount of the offer that was accepted last time at the original purchase price.

MOTION: Commissioner Jeff Randall made a motion to authorize Assistant General Manager to execute a document releasing the escrow deposit from the first proposed purchaser and to authorize Assistant General Manager Kevin Streett and General Counsel Joel Paisner to negotiate with the second potential purchaser up to the purchase price from the first purchaser. Commissioner Kenneth Collins seconded the motion. Motion carried unanimously.

General County Joel Paisner notified the commissioners that Terry Nomura would like to come back to the BOC with a different proposal on how to market the property the PUD owns on W Streett in Port Townsend.

Letter dated December 20, 2018 to Kevin Streett: For information only. Commissioner Jeff Randall handed out a letter to the commissioners that was address to Kevin Streett regarding an employment proposal with negotiated details dealing with Mr. Streett's transition of being on the benefits package and indicating his acceptance of the terms of his appointment.

8. **SIGNING OF DOCUMENTS:** The signing of documents is done in open public meeting format.

9. **EXECUTIVE SESSION:** An executive session was held pursuant to RCW 42.30.110(1)(g) to review the performance of a public employee.

Executive session convened at 6:52 p.m. and Commissioner Jeff Randall made the announcement that the session will take 30 minutes and that there may be action taken.

Commissioner Jeff Randall came out of Executive Session at 7:22 p.m. and announced an extension of 15 minutes was needed to conclude the session.

Commissioner Jeff Randall came out of Executive Session at 7:40 p.m. and announced an extension of 10 minutes was needed to conclude the session.

The regular meeting of the BOC was reconvened at 7:58 p.m.

During the executive session a draft separation agreement and release of employment that the PUD is working with Larry Dunbar's attorney on was reviewed. General Counsel Joel Paisner reviewed the agreement with the commissioners with some proposed changes.

MOTION: Commissioner Kenneth Collins made a motion to authorize the PUD's General Counsel Joel Paisner and the President of the Board of Commissioners to continue negotiations with Mr. Larry Dunbar's attorney and see if this matter can be brought to resolution. Commissioner Jeff Randall seconded the motion. Motion carried unanimously.

Employee Issues: There have been issues that have arisen since the General Manager was put on administrative leave. General Counsel Joel Paisner made the recommendation that he retain attorney Rick Hughes as a consultant to help conduct an investigation on what happened around some of the decisions that have been made at the PUD and have him either orally or in writing draft a report after he has done an investigation. General Counsel Joel Paisner will draft a scope of work.

MOTION: Commissioner Kenneth Collins made a motion to direct General Counsel Joel Paisner to contact attorney Rick Hughes and put together a scope of work and proceed with an investigation to identify some of the preceding events that brought the PUD to the point where it is now. Commissioner Dan Toepper seconded the motion. Motion carried unanimously.

11. ADJOURNMENT:

Commissioner Jeff Randall declared the January 2, 2019, Regular Meeting of the Jefferson County Public Utility District No. 1 adjourned at 8:04 p.m.

Minutes prepared by
Cammy Brown, PUD Recorder

Approved:

Commissioner Kenneth Collins, Secretary

Date

Attest:

Commissioner Jeff Randall, President

Date

Commissioner Dan Toepper, Vice President

Date

Please note PUD Board of Commissioner meetings are audio recorded and posted to the PUD website at www.jeffpud.org, usually within 1-2 business days of each meeting. If you experience any difficulty accessing a particular recording, you may call 360.385.5800 for assistance. Jefferson PUD provides reasonable accommodations to persons with disabilities. We invite any person with special needs to contact our staff at 360.385.8351 at least 24 hours before the meeting to discuss any special accommodations.



**PUBLIC UTILITY DISTRICT NO. 1
of Jefferson County**

January 15, 2019

**Board of Commissioners
Special Meeting**

Draft Minutes

The Special Meeting of the Public Utility District No. 1 of Jefferson County (PUD) was called to order by the President of the Board of Commissioners (Board or BOC) at 10:00 a.m. on January 15, 2019, at the PUD Operations Center, Four Corners Road, Port Townsend, Washington, 98368. Present:

Commissioner Jeff Randall, President
Commissioner Kenneth Collins, Secretary
Commissioner Dan Toepper, Vice President

Kevin Streett, Acting General Manager
Will O'Donnell, Communications Manager
Annette Johnson, Executive Assistant/Records Officer
Jean Hall, Customer Services Manager
Don McDaniel, Consultant
Mark Hurley, TCF Architect

Cammy Brown, Recorder

CALL TO ORDER:

Commissioner Jeff Randall called the special meeting of the PUD Board of Commissioners for January 15, 2019, to order at 10:00 a.m.

INTRODUCTIONS: PUD commissioners and staff introduced themselves.

AGENDA APPROVAL:

There were no changes to the agenda.

MOTION: Commissioner Dan Toepper moved to accept the agenda as presented. Commissioner Kenneth Collins seconded the motion. Motion carried unanimously.

CUSTOMER SERVICE POLICY INTRO PRESENTATION: Jean Hall, Customer Services Manager, gave a presentation on the PUD’s Customer Service Policy. The policy that the staff has been working on is a consolidation of different customer service policies that have been scattered between electric service regulations, schedule of deposit and charges and the water system plan. The items presented were those that the PUD is changing and not already existing.

Handouts:

- Customer Service Policy power point. (Handout No. 1)
- PUD Customer Service Policy (Handout No. 2)
- Exhibit A – Electric Service Regulations (Handout No. 3)

General Counsel Joel Paisner has reviewed the policy.

There were no public comments.

TCF UPDATE: Consultant Don McDaniel gave some background information on the PUD Addition and Remodel. Mark Hurley, TCF Architect gave an update on the remodel. (Handout No. 4).

There was some public comment.

ADJOURNMENT:

Commissioner Jeff Randall declared the January 15, 2019, 10:00 a.m. Special Meeting of the Jefferson County Public Utility District No. 1 adjourned at 11:55 a.m.

 Minutes prepared by
 Cammy Brown, PUD Recorder

Approved:

Commissioner Kenneth Collins, Secretary

Date

Attest:

Commissioner Jeff Randall, President

Date

Commissioner Daniel Toepper, Vice President

Date

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**PUBLIC UTILITY DISTRICT NO. 1
of Jefferson County**

January 15, 2019

**Board of Commissioners
Special Meeting**

Draft Minutes

The Special Meeting of the Public Utility District No. 1 of Jefferson County (PUD) was called to order by the President of the Board of Commissioners (Board or BOC) at 4:00 p.m. on January 15, 2019, at the PUD Operations Center, Four Corners Road, Port Townsend, Washington, 98368. Present:

Commissioner Jeff Randall, President
Commissioner Kenneth Collins, Secretary
Commissioner Dan Toepper, Vice President

Kevin Streett, Acting General Manager
Will O'Donnell, Communications Manager
Annette Johnson, Executive Assistant/Records Officer
Don McDaniel, Consultant
Joel Paisner, General Counsel
Richard Hughes, Counsel (on phone)

Cammy Brown, Recorder

CALL TO ORDER:

Commissioner Jeff Randall called the special meeting of the PUD Board of Commissioners for January 15, 2019, to order at 4:00 p.m.

The purpose of the meeting was to conduct an executive session pursuant to RCW 42.30.110(1)(i) to discuss with legal counsel representing the PUD potential litigation which may be commenced against the PUD. The executive session will take approximately 40

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Board of Commissioners
Special Meeting
January 15, 2019 – 4:00 p.m.
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minutes. No action will be taken. After the session there may be a potential discussion period.

Introductions: All three commissioners introduced themselves.

AGENDA APPROVAL:

There were no changes to the agenda.

EXECUTIVE SESSION: The Executive Session convened at 4:01 p.m.

The regular meeting of the Jefferson County Public Utility District reconvened at 4:42 p.m.

ADJOURNMENT:

Commissioner Jeff Randall declared the January 15, 2019, 4:00 p.m. Special Meeting of the Jefferson County Public Utility District No. 1 adjourned at 4:45 p.m.

Minutes prepared by
Cammy Brown, PUD Recorder

Approved:

Commissioner Kenneth Collins, Secretary

Date

Attest:

Commissioner Jeff Randall, President

Date

Commissioner Daniel Toepper, Vice President

Date

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**PUBLIC UTILITY DISTRICT NO. 1
of Jefferson County**

January 15, 2019

**Board of Commissioners
Regular Meeting**

Draft Minutes

The Regular Meeting of the Public Utility District No. 1 of Jefferson County (PUD) was called to order by the President of the Board of Commissioners (Board or BOC) at 5:00 p.m. on January 15, 2019, at the Jefferson Transit Conference Room, at 63 Four Corners Road, Port Townsend, Washington, 98368. Present:

Commissioner Jeff Randall, President
Commissioner Kenneth Collins, Secretary
Commissioner Wayne King, Vice President

Kevin Streett, Acting General Manager
Joel Paisner, General Counsel
Tammy Lehman, Interim Chief Financial Officer
Jean Hall, Customer Service Manager
Will O'Donnell, Communications Manager
Bill Graham, Resource Manager
Don McDaniel, Consultant

Cammy Brown, Recorder

1. CALL TO ORDER:

Commissioner Jeff Randall called the regular meeting of the PUD Board of Commissioners for January 15, 2019, to order at 5:00 p.m.

INTRODUCTIONS: Commissioner Jeff Randall started out the meeting asking for voluntary introductions from the commissioners and staff.

2. AGENDA APPROVAL:

Commissioner Jeff Randall added an item (Update - Four Corners Addition TCF) to 7.0 Action Items Requiring Board Discussion and inserted the item between 7.1.2 and 7.1.3.

MOTION: Commissioner Kenneth Collins made a motion to approve the agenda as modified. Commissioner Dan Toepper seconded the motion. Motion carried unanimously.

3. GENERAL PUBLIC COMMENT: Commissioner Jeff Randall presented the guidelines for members of the public to submit their comments. Topics:

- Water – Fire flow and Sewer. Utilities need to be addressed in Brinnon/Quilcene/Port Hadlock.
- Localized agencies sharing of resources, staff and technology agreements.
- Question: What is status of the consultant’s report?
Response from staff: BOC has not received results from the study. Results will be shared with the public.
- Cost of advertising – suggestion to stop full color ads and generic ads.

4. APPROVAL AND ADOPTION OF THE CONSENT AGENDA:

Commissioner Dan Toepper requested that 4.2.1 Voucher Certification Form with Supporting Warrant Register and Payroll Form be moved to be the first item under Action Items Requiring Board Discussion.

MOTION: Commissioner Kenneth Collins made a motion to approve and adopt the Consent Agenda as modified. Commissioner Daniel Toepper seconded the motion. Motion carried unanimously.

4.1 APPROVAL OF MINUTES: Minutes from 1/2/19 will be provided at the next BOC meeting on 2/5/19.

4.2 APPROVAL OF VOUCHERS:

4.2.1 Voucher certification form with support warrant register and payroll form. Removed and placed under 7.0 Action Items Requiring Board Discussion.

4.2.2 BOC approval of voucher approval form.

4.3 ACTION ITEMS

- 4.3.1 Electrical Contractors Pre-Qualifiers.
- 4.3.2 Write-Off Report.

END OF CONSENT AGENDA.

5. COMMISSIONER REPORTS:

Commissioner Kenneth Collins:

- 1/07 Attended Broadband Strategy meeting to discuss changes to the scope of work prior to meeting with Magellan consultants.
- 1/08 Attended the Broadband Sub-committee meeting. Had a meeting with the Acting General Manager Kevin Streett and a PUD customer.
- 1/09 through 1/10 attended Public Power Council meeting.
Bonneville Power Administration (BPA) will, at the end of this year, issue a decision as to whether they want to enter the energy balance market and sell power to California on a short term basis.
- 1/11 Attended the Broadband Sub-committee meeting with the vendor to help develop broadband strategy.
- 1/12 Met with the Marrowstone Island Broadband Committee.
- 1/14 Attended the Citizen Advisory Board (CAB) meeting.
- 1/15 Attended a Special Meeting of the BOC – Customer Service Policy and building plans update.
- 1/15 Attended a Special Meeting of the BOC – Executive Session.
- 1/16 through 1/18 will be attending the Washington Public Utility District Association (WPUDA) meeting.
- 1/22 Will participate in interviews for the PUD’s Chief Financial Officer.
- 1/23 through 1/24 will be attending meetings for Energy Northwest.
- 1/29 Will be attending a PUD meeting on capital projects.

Commissioner Jeff Randall:

Commissioner Jeff Randall report that he has been working with the attorney on the Separation Agreement for General Manager Larry Dunbar and also coordinating with staff and consultant Scott Fry from Mycoff on the Chief Financial Officer (CFO) interviews.

- 1/3 Had phone meetings with Tammy Lehman and General Counsel Joel Paisner.
- 1/4 Had phone meetings with Scott Fry of Mycoff regarding the CFO recruitment process and with General Counsel Joel Paisner.

- 1/7 Had phone meeting with Jennifer Harper who works for Energy Northwest. She was involved with a successful grant application with the State of Washington to fund electric vehicle fast chargers between the Tri-Cities and Yakima/Ellensburg area.
- 1/8 Had phone meeting with Scott Fry of Mycoff regarding the CFO recruitment process and General Counsel Joel Paisner and Acting General Manager Kevin Streett.
- 1/10 Attended the North Olympic Peninsula Development Council Executive Board meeting.
- 1/14 Had phone meeting with CAB member Seb Eggert.
- 1/14 Had phone meeting with Scott Fry of Mycoff.
- 1/15 Attended the Special Meeting of the BOC Customer Service Policy and building plans update.
- 1/15 Attended the Special Meeting of the BOC Executive Session.
- 1/16 through 1/18 will be attending the Washington Public Utility District Association (WPUDA) meeting.
- 1/22 Will participate in interviews for the PUD's Chief Financial Officer.
- 1/29 Will attend the PUD meeting on capital projects.

Commissioner Jeff Randall announced he would be out of the area after the second BOC meeting in April until the end of the month.

Commissioner Dan Toepper:

- 1/2 Attended first BOC meeting. Met with staff several times over the past couple weeks submitting paperwork and going through orientation/employee handbook.
- 1/9 Went to a managers' meeting. Met with supervisory staff. Spent several hours on the phone with consultants with interest about billing.
- 1/11 Spoke with Jefferson County Community Development Department, County Assessor's Office and County Administrator. Spoke with Acting General Manager about Public Infrastructure Fund (PIF).
- 1/14 Attended the Jefferson County Fire Chiefs' meeting.
- 1/15 Attended the Special Meeting of the BOC Customer Service Policy and building plans update.
- 1/15 Attended the Special Meeting of the BOC Executive Session.
- 1/16 through 1/18 will be attending the Washington Public Utility District Association (WPUDA) meeting for new commissioner training in Olympia.
- 1/22 Will participate in interviews for the PUD's Chief Financial Officer.
- 1/29 Will attend the PUD meeting on capital projects.

Commissioner Dan Toepper will be out of the area May 22 through June 7.

6. GENERAL MANAGER REPORT/FUTUURE ITEMS (Information Only):

- Update on Irondale Substation. The PUD has extended their deadline from January 22nd to February 22nd.
- Solar rebates. Washington State University calculated the payments out at the wrong rate. The PUD will have to re-issue some rebates.
- NoaNet. The PUD is negotiating a contract with NoaNet. PUD staff is making the recommendation not to move forward with the loan at this time.
- Public Infrastructure Fund. Staff is ready to do the fiber optic part of the grant for downtown Port Townsend area. In reference to the other grants, it is not possible to get the necessary paperwork done by the deadline. Staff will bring back a resolution to the BOC next week on the downtown project for fiber.
- The PUD has to move forward on the Quilcene project. The staff is going to put a high priority on that project. This project is to improve the commercial fire flow in the business core of Quilcene.
- Community Solar Project in Port Townsend. Drawings were done internally and those drawings went in today.

Commissioner Kenneth Collins gave a brief report on his attendance at the Citizen Advisory Board meeting of January 14, 2019. Topics:

- List of projects – CAB member wanted to know what was the status on that list of projects. He was asking in the context of what should be the priorities for the CAB moving forward.
- Special Meeting with CAB, commissioners and senior staff to create better alignment.
- Minutes – more succinct. Minutes that are time coded so that somebody wanting to do research on the audio recordings would have an index that would make it far easier to be able to go right to a more specific area on the recording.
- There should be some sort of similarity between the process that we have in terms of the BOC minute taking and its indexing and that of the CAB.

Public Comment. Topics:

- PIF Grant.
- NoaNet contract.
- Quilcene water system.

7. ACTION ITEMS REQUIRNG BOARD DISCUSSION:

4.2.1 Voucher Certification Form: There was a question regarding the destruction of

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220 meters. (page 12 of the packet). Further explanation was given.

MOTION: Commissioner Jeff Randall made a motion that the BOC approve 4.2.1 Voucher Certification Form with Supporting Warrant Register and Payroll. Commissioner Kenneth Collins seconded the motion. Motion carried unanimously.

VOUCHER APPROVAL FORM
PENDING INVOICES OVER \$100,000 TO BE APPROVED:

Asplundh Tree Trimming Invoice 86S02518 dated 12/28/2018 for \$194,250.00
Tital Electric, Inc. Storm Work Invoice 23482 dated 12/24/2018 for \$106,674.58
Michels Irondale Substation Expansion Invoice 285434 dated 1/04/2019 for \$325,467.94

PAYMENTS TO BE APPROVED:

WARRANTS	AMOUNT	DATE
Accounts Payable: #119160 to #119197	\$ 391,664.96	12/27/2018
Accounts Payable: #119198 to #119244	\$ 194,865.84	1/04/2019
Payroll Checks: # 70535 to # 70540	\$ 11,880.71	12/28/2018
Payroll Direct Deposit	\$ 197,766.14	12/28/2018
TOTAL INVOICES PAID	\$ 796,177.65	
WIRE TRANSFERS PAID	AMOUNT	DATE
USDA/RUS Loan	\$1,525,553.53	12/28/2018
<hr/>		
GRAND TOTAL	\$2,321,731.18	

7.1.1 Memberships for Commissioners. Memberships were confirmed.

7.1.2 COLA for non-represented employees. Acting General Manager requested a 3% cost of living for non-represented staff. A resolution will be brought to the February 5th BOC regular meeting for approval on the Consent Agenda.

Addition by Commissioner Jeff Randall: Four Corners Addition TCF update.

Commissioner Jeff Randall discussed his concerns about the roofing materials that are currently scheduled to be used in the PUD building plans for the remodel. BOC discussed cost ramifications of modifications. PUD consultant Don McDaniel and Mark Hurley of TCF will

submit an estimate of the cost of changing the design change and the possibility of changing the time frame. No decision is to be made tonight. Commissioners discussed priority of remodeling project and staff requirement.

7.1.3 NoaNet Loan. Acting General Manager Kevin Street gave a report on the NoaNet loan. This is first presentation of this item. NoaNet is requesting \$200,000 from ten public utility districts. Staff recommendation is no action be taken at this time. Staff are reviewing the NoaNet contract. BOC discussed the pros and cons of the NoaNet. There was consensus among the commissioners to support the staff's recommendation of no action at this time.

7.1.4 Sale of Admin Building Resolution 2019-05. General Counsel Joel Paisner reported on the sale of the Admin Building. Commissioners review offer and resolution.

There was some discussion on the process that was used in the sale of this commercial property. Consultant Don McDaniel outlines the process that was used and the surplus properties that the PUD has.

MOTION: Commissioner Jeff Randall made a motion authorizing Acting General Manager Kevin Streett to accept the offer of the sale of the property at 230 Chimacum Road and execute the documents necessary to complete the sale. Commissioner Kenneth Collins seconded the motion. Motion passes with majority.

7.1.5 Resolution 2019-06 Proposed Separation Agreement with General Manager and Proposed Appointment of Acting General Manager/Attachment to Resolution. General Counsel Joel Paisner goes over resolution. In order to both terminate or dismiss a general manager under state law and appoint a new general manager, it must be done over a period of two regular meetings of the commissioners. This is the first reading of the resolution. It authorizes approval of the separation agreement which Larry Dunbar has signed.

It was the general consensus of the commissioners that Resolution 2019-06 may be added to the Consent Agenda at the meeting of February 5, 2019.

MOTION: Commissioner Jeff Randall made a motion to authorize the President of the Board of Commissioners to execute the Separation Agreement so long as its terms and conditions are similar to those contained in the agreement presented at the regular meeting of the Board this evening. Commissioner Kenneth Collins seconded the motion. Motion carried unanimously.

8. SIGNING OF DOCUMENTS: The signing of documents is done in open public

meeting format.

9. ADJOURNMENT:

Commissioner Jeff Randall declared the January 15, 2019, Regular Meeting of the Jefferson County Public Utility District No. 1 adjourned at 7:21 p.m.

Minutes prepared by
Cammy Brown, PUD Recorder

Approved:

Commissioner Kenneth Collins, Secretary

Date

Attest:

Commissioner Jeff Randall, President

Date

Commissioner Daniel Toepper, Vice President

Date

Please note PUD Board of Commissioner meetings are audio recorded and posted to the PUD website at www.jeffpud.org, usually within 1-2 business days of each meeting. If you experience any difficulty accessing a particular recording, you may call 360.385.5800 for assistance. Jefferson PUD provides reasonable accommodations to persons with disabilities. We invite any person with special needs to contact our staff at 360.385.8351 at least 24 hours before the meeting to discuss any special accommodations.

VOUCHER CERTIFICATION FORM

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just and due obligation against Public Utility District No. 1 of Jefferson County, and that I am authorized to authenticate and certify to said claims, and I, the undersigned, do hereby certify under penalty of perjury that claims for employee and commissioner expenses are just and due against Public Utility District No. 1 of Jefferson County.

Signed: _____ Date _____
 Tammy Lehman, interim Financial Director / District Auditor

VOUCHER CLAIM FORMS FOR INVOICES PAID:

	WARRANTS	AMOUNT	DATE
Accounts Payable:	# 119245 to # 119312	\$ 1,012,572.94	1/10/2019
Accounts Payable:	# 119313 to # 119320	\$ 199,342.87	1/17/2019
Accounts Payable:	# 119321 to # 119365	\$ 362,482.31	1/18/2019
Accounts Payable:	# 119366 to # 119399	\$ 702,784.40	1/24/2019
Payroll Checks:	# 70541 to # 70546	\$ 9,565.01	1/11/2019
Payroll Checks:	# 70547 to # 70552	\$ 11,924.86	1/25/2019
Payroll Direct Deposit:		\$ 111,371.80	1/11/2019
Payroll Direct Deposit:		\$ 104,183.22	1/25/2019
TOTAL INVOICES PAID		\$2,514,227.41	

	AMOUNT	DATE
WIRE TRANSFERS PAID		
Peterson Lake	\$ 14,328.62	1/2/2019
BPA	\$ 1,326,349.00	1/15/2019

GRAND TOTAL \$3,854,905.03

VOIDED WARRANTS		
119094	\$	15,246.46

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
119094 12/13/2018	CHK	10188	PLATT ELECTRIC SUPPLY	2" SCHEDULE 40 & 4" SCHEDULE 40 CONDUIT CONDUIT CAPS	15,078.75 VOID 167.71 VOID
Total for Check/Tran - 119094:					15,246.46 VOID
119245 01/10/2019	CHK	10012	ALTEC INDUSTRIES, INC	PPE-RAIN GEAR PPE-RAIN GEAR PPE-RAIN GEAR WORK GLOVES WORK GLOVES	425.10 425.10 414.20 78.42 78.41
Total for Check/Tran - 119245:					1,421.23
119246 01/10/2019	CHK	10447	ANIXTER INC.	FNECK INSULATOR FUSE SIDE BY	125.57 305.21 43.60
Total for Check/Tran - 119246:					474.38
119247 01/10/2019	CHK	10495	AUDIT & ADJUSTMENT COMPANY, INC.	PL GARNISHMENT	550.43
119248 01/10/2019	CHK	10714	SCOTT A BANCROFT	FOOD FOR DISPATCH DURING OUTAGE	27.20
119249 01/10/2019	CHK	10027	BERNT ERICSEN EXCAVATING, INC	REVERSAL - ERROR DAMAGE AT SWAN HOTEL FLAGGING HRS - DABOB RD 11/26/18 STORM SWANASONVILLE CONDUIT/VAULT CHNG ORDER	601.00 850.00 10,143.54
Total for Check/Tran - 119249:					11,594.54
119250 01/10/2019	CHK	10498	BEVINS COMPANY	RECALIBRATE/REPAIR MULTIRANGE VOLT UNIT REPAIR VOLTAGE DETECTOR REPAIR VOLTAGE DETECTOR	-11.68 70.72 70.71
Total for Check/Tran - 119250:					129.75
119251 01/10/2019	CHK	10394	RANDALL L CALKINS	CLOTHING ALLOWANCE 2018	103.88
119252 01/10/2019	CHK	10041	CDW GOVERNMENT	AUTOCAD LT 1YR LIC THRU 2/15/20 AUTOCAD LT 1YR LIC THRU 1/15/20	406.48 406.48
Total for Check/Tran - 119252:					812.96
119253 01/10/2019	CHK	10044	CENTURY LINK QCC-P	PHONE SVC - DEC 2018	65.07

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				PHONE SVC - DEC 2018	28.29
				PHONE SVC - DEC 2018	76.39
				PHONE SVC - DEC 2018	113.18
				PHONE SVC - DEC 2018	12.57
				PHONE SVC - DEC 2018	18.86
				Total for Check/Tran - 119253:	314.36
119254 01/10/2019	CHK	10045	CENTURY LINK-S	INTERNET SVC 12/22-1/21/19	67.65
				INTERNET SVC 12/22-1/21/19	16.91
				CIRCUIT INFO 12/23-1/22/19	31.14
				CIRCUIT INFO 12/23-1/22/19	7.79
				Total for Check/Tran - 119254:	123.49
119255 01/10/2019	CHK	10046	CENTURYLINK	LOW SPD DATA & 2WIRE JAN-18	185.93
				LOW SPD DATA & 2WIRE JAN-18	46.49
				LOW SPD DATA & 2WIRE JAN-18	31.14
				LOW SPD DATA & 2WIRE JAN-18	7.79
				Total for Check/Tran - 119255:	271.35
119256 01/10/2019	CHK	10332	KENNETH COLLINS	BOC,PPC&WPUDA MTGS 12/4-12/31/18 TRVL EX	651.37
				BOC,PPC&WPUDA MTGS 12/4-12/31/18 TRVL EX	162.84
				Total for Check/Tran - 119256:	814.21
119257 01/10/2019	CHK	10068	DISCOVERY BAY GROUP, LLC	CONSULTING SERVICE DEC 2018	510.00
				CONSULTING SERVICE DEC 2018	3,490.00
				Total for Check/Tran - 119257:	4,000.00
119258 01/10/2019	CHK	10069	DM DISPOSAL CO INC	2YD OCC- 4CRNRS DEC-18	69.85
				2YD OCC- 4CRNRS DEC-18	69.85
				Total for Check/Tran - 119258:	139.70
119259 01/10/2019	CHK	10085	FASTENAL	GEN PURPOSE WIPER 100CT	63.03
				SAW BLADES	133.22
				Total for Check/Tran - 119259:	196.25

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
119260 01/10/2019	CHK	10086	FERGUSON ENTERPRISES, INC NW	PERMENANT MODULAR SEPTIC PARTS	3,300.03
119261 01/10/2019	CHK	10094	GENERAL PACIFIC, INC	METER RING KEY	148.24
				METER PLATES	132.54
				SPOOL INSULATOR/POL TOP PINQ	43.42
				POLE TOP PIN	208.41
				TEST SWITCH 10 POINT WITH COVER	3,880.40
				URD SPLICE	472.52
				SPLICE KIT	1,884.57
				LOCK HASPS	159.74
				Total for Check/Tran - 119261:	6,929.84
119262 01/10/2019	CHK	10724	GILCHRIST CHEVROLET, BUICK, GMC I	FLEET VEHICLE# 129-BACKUP ALARM	131.68
				FLEET VEHICLE# 129-BED LINER	510.91
				FLEET VEHICLE# 129-COLORADO	34,182.04
				FLEET VEHICLE# 129-DELIVERY	158.01
				FLEET VEHICLE# 129-FLOOR MATS	181.71
				FLEET VEHICLE# 129-MUD FLAPS	237.02
				Total for Check/Tran - 119262:	35,401.37
119263 01/10/2019	CHK	10454	GLOBAL RENTAL COMPANY INC	RNTL AM55 2 MAN BUCKET 12/13-1/09/19	4,905.00
119264 01/10/2019	CHK	10098	GRAINGER	SPRAY FOAM	123.61
				FLARES	168.61
				FLARES	168.60
				Total for Check/Tran - 119264:	460.82
119265 01/10/2019	CHK	10103	H D FOWLER	NIPPLES, ELBOWS, ADAPTERS, BUSHINGS	2,024.81
				GATE VALVES, BOX, BASE, TOP	2,598.68
				Total for Check/Tran - 119265:	4,623.49
119266 01/10/2019	CHK	10104	HADLOCK BUILDING SUPPLY, INC.	PROSPECT AVE - GALV PIPE & 90 DEG ELBOW	111.01
				STOCK VEH#210 - PROPANE 16.4OZ 2PK	8.71
				AIRPORT WELL - PANCAKE COMPRESSOR 6GAL	196.19
				Total for Check/Tran - 119266:	315.91

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119267 01/10/2019	CHK	10510	HASELWOOD CHEVROLET BUICK GMC	REPLACEMENT TRANSMISSION VEH# 206	7,739.26
119268 01/10/2019	CHK	10384	HDR ENGINEERING INC	WATER SYSTEM PLAN UPDATE 10/28-11/24/18	1,587.58
				WATER SYSTEM PLAN UPDATE 10/28-11/24/18	2,859.54
Total for Check/Tran - 119268:					4,447.12
119269 01/10/2019	CHK	10118	JCI JONES CHEMICALS, INC.	HYPOCHLORITE SOLUTION, SS150 BULK	1,086.03
				HYPOCHLORITE SOLUTION, SS150 BULK	1,798.86
Total for Check/Tran - 119269:					2,884.89
119270 01/10/2019	CHK	10281	JEFFCO EFTPS	941 PAYROLL TAX FOR PR 1/11/19 MEDICARE	5,383.94
				941 PAYROLL TAX FOR PR 1/11/19 FICA	23,021.06
				941 PAYROLL TAX FOR PR 1/11/19 FED	20,766.11
Total for Check/Tran - 119270:					49,171.11
119271 01/10/2019	CHK	10532	JEFFERSON COUNTY PUD PAYROLL AC	PAYROLL DEPOSIT FOR 1/11/2019 CHECKS	9,565.01
				PAYROLL DEPOSIT FOR 1/11/2019 DIR DEP	111,371.80
Total for Check/Tran - 119271:					120,936.81
119272 01/10/2019	CHK	10320	ANNETTE JOHNSON	PHONE ALLOWANCE - DEC 2018	36.00
				PHONE ALLOWANCE - DEC 2018	9.00
Total for Check/Tran - 119272:					45.00
119273 01/10/2019	CHK	10348	KEMP WEST, INC	TREE TRIMMING QUILCENE 10/24/18	2,835.00
119274 01/10/2019	CHK	10308	WAYNE KING	BOC, WPUDA MTGS DEC-18 TRVL EXP	325.74
				BOC, WPUDA MTGS DEC-18 TRVL EXP	81.43
Total for Check/Tran - 119274:					407.17
119275 01/10/2019	CHK	10286	L & J ENTERPRISES	EXCAVATING - 43RD ST&QUINAULT LP 12/15	3,978.50
119276 01/10/2019	CHK	10543	LANDMARK EXCAVATING AND DOZER	DIG UP FAULT AT SWANSONVILLE RD 9/20/18	1,144.50
119277 01/10/2019	CHK	10439	LAW OFFICE OF RICHARD L HUGHES P	PROFESSIONAL SERVICES: DEC 2018	2,262.00
				PROFESSIONAL SERVICES: DEC 2018	565.50
Total for Check/Tran - 119277:					2,827.50
119278 01/10/2019	CHK	10134	LE MAY MOBILE SHREDDING	SHRED 4CRNR DEC-18	23.55

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				SHRED 4CRNR DEC-18	37.49
				SHRED 4CRNR DEC-18	14.83
				SHRED 4CRNR DEC-18	11.34
				SHRED 4CRNR DEC-18	5.43
				SHRED 4CRNR DEC-18	4.26
				Total for Check/Tran - 119278:	96.90
119279	01/10/2019	CHK 10728	LUCIE R. BERNHEIM ATTORNEY AT LA	PL GARNISHMENT 1/11/2019	560.96
119280	01/10/2019	CHK 10142	MASON COUNTY PUD #1	ELECTRIC ELEC - DEC-18	153.10
				BPA RD-PUMP ELEC - DEC-18	111.50
				WILLIAMS CT ELEC - DEC-18	36.06
				Total for Check/Tran - 119280:	300.66
119281	01/10/2019	CHK 10313	MICHEL'S POWER	IRONDALE SUB PROJECT THRU OCT 2018	125,340.20
				IRONDALE SUB PROJECT THRU NOV 2018	357,795.20
				IRONDALE SUB PROJECT THRU NOV 2018	346.69
				Total for Check/Tran - 119281:	483,482.09
119282	01/10/2019	CHK 10153	MURREY'S DISPOSAL CO., INC.	DISPOSAL 230 CHIMACUM DEC-18	64.48
				DISPOSAL 230 CHIMACUM DEC-18	7.17
				DISPOSAL 4CRNR 2YD CONT 1XWK DEC-18	100.01
				DISPOSAL 4CRNR 2YD CONT 1XWK DEC-18	50.01
				DISPOSAL 4CRNR 2YD CONT 1XWK DEC-18	42.00
				DISPOSAL 4CRNR 2YD CONT 1XWK DEC-18	8.00
				DISPOSAL 4CRNR 20YD ROLL OFF RNTL DEC-18	371.05
				DISPOSAL 4CRNR 20YD ROLL OFF RNTL DEC-18	185.53
				DISPOSAL 4CRNR 20YD ROLL OFF RNTL DEC-18	155.84
				DISPOSAL 4CRNR 20YD ROLL OFF RNTL DEC-18	29.68
				DISPOSAL 211 CHIMACUM DEC-18	28.84
				DISPOSAL 211 CHIMACUM DEC-18	16.36
				DISPOSAL 211 CHIMACUM DEC-18	1.84
				DISPOSAL 211 CHIMACUM DEC-18	4.09

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
Total for Check/Tran - 119282:					1,064.90
119283 01/10/2019	CHK	10155	NESCO LLC	ANNUAL HOTSTICK/GROUNDS TESTING	220.74
				ANNUAL HOTSTICK/GROUNDS TESTING	220.72
				REPLACEMENT RUBBER GLOVES	96.35
				REPLACEMENT RUBBER GLOVES	96.34
				ANNUAL HOTSTICK/GROUNDS TESTING	13.35
				ANNUAL HOTSTICK/GROUNDS TESTING	13.35
Total for Check/Tran - 119283:					660.85
119284 01/10/2019	CHK	10165	NW LABORERS-EMPLOYERS TRUST FU	MEDICAL PREMIUM EXEMPT FEB 2018	12,810.00
				MEDICAL PREMIUM LABORERS FEB 2018	12,075.00
Total for Check/Tran - 119284:					24,885.00
119285 01/10/2019	CHK	10631	WILL O'DONNELL	PHONE ALLOWANCE - NOV 2018	36.00
				PHONE ALLOWANCE - NOV 2018	9.00
Total for Check/Tran - 119285:					45.00
119286 01/10/2019	CHK	10167	OFFICE DEPOT	OFFICE SUPPLIES - WAREHOUSE	124.17
				OFFICE SUPPLIES - OPERATIONS	57.70
				OFFICE SUPPLIES - OPERATIONS	16.47
				OFFICE SUPPLIES - OPERATIONS	5.32
				OFFICE SUPPLIES - ANNEX	62.66
				OFFICE SUPPLIES - OPERATIONS	4.12
				OFFICE SUPPLIES - ANNEX	6.96
				OFFICE SUPPLIES - ANNEX	60.30
				OFFICE SUPPLIES - ANNEX	6.70
Total for Check/Tran - 119286:					344.40
119287 01/10/2019	CHK	10169	OLYCAP	PWRBST/OLYCAP DEC 2018	1,749.66
119288 01/10/2019	CHK	10170	OLYMPIC EQUIPMENT RENTALS	CHAINSAW MAINTENANCE	49.79
119289 01/10/2019	CHK	10181	PENINSULA PEST CONTROL	PEST SVC QRTLY-20 SUNSHINE RD Q4 2018	54.50
				PEST SVC QRTLY-GARDINER PUMP H Q4-2018	49.05

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Total for Check/Tran - 119289:					103.55
119290 01/10/2019	CHK	10183	PETRICK LOCK & SAFE	B KEYS	26.42
				B LOCKS	1,542.39
				REKEY CSR DESK	14.39
				A LOCKS-BUILDING	257.07
				REKEY CSR DESK	3.60
				A LOCKS-BUILDING	64.27
Total for Check/Tran - 119290:					1,908.14
119291 01/10/2019	CHK	10188	PLATT ELECTRIC SUPPLY	RED BURRIED LINE TAPE	233.81
				PHOTOCELL	644.41
				REPLACEMENT BATTERY	70.31
				REPLACEMENT BATTERY	70.30
				SAWZALL BLADES	22.89
Total for Check/Tran - 119291:					1,041.72
119292 01/10/2019	CHK	10287	PUD-UTILITY PAYMENTS	17648011 DEC 2018 - 1606 AIRPORT RD #11A	428.74
				17648016 DEC 2018 - 191 KALA HEIGHTS DR	21.72
				17648017 DEC 2018 - 234 KALA POINT DR	20.01
				17648018 DEC 2018 - 112 SAILVIEW DR	34.00
				17648019 DEC 2018 - 150 KALA HEIGHTS DR	19.20
				17648020 DEC 2018 - 83 PINECREST DR	781.19
				17648021 DEC 2018 - KALA POINT WELL#1	34.00
				18296011 DEC 2018 - 92 N WILLISON AVE	59.38
				27201000 DEC 2018 - 12322 AIRPORT CUTOFF	48.51
				10493001 DEC 2018 - 73 KENNEDY RD	2,241.40
				10493002 DEC 2018 - 310 FOUR CORNERS RD	72.72
				10493002 DEC 2018 - 310 FOUR CORNERS RD	115.80
				10493002 DEC 2018 - 310 FOUR CORNERS RD	45.79
				10493002 DEC 2018 - 310 FOUR CORNERS RD	35.01
				10493002 DEC 2018 - 310 FOUR CORNERS RD	16.76
				10493002 DEC 2018 - 310 FOUR CORNERS RD	13.17

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				12737000 DEC 2018 - 230 CHIMACUM RD WAT	20.90
				12737000 DEC 2018 - 230 CHIMACUM RD WAT	5.23
				17648001 DEC 2018 - 429 SKYWATER DR	68.95
				17648004 DEC 2018 - 230 CHIMACUM ELECTRI	243.59
				17648004 DEC 2018 - 230 CHIMACUM ELECTRI	60.90
				17648005 DEC 2018 - OAK BAY RD&MATSVIEW	36.12
				17648006 DEC 2018 - 482 SOMERVILLE RD	22.93
				17648007 DEC 2018 - 265 CHIMACUM RD	754.01
				17648008 DEC 2018 - 21 KENNEDY RD	1,962.14
				17648010 DEC 2018 - 40 CLEVELAND ST	19.20
				17648012 DEC 2018 - 61 KEVIN LN	36.83
				18296008 DEC 2018 - 2411 TEAL LAKE RD	306.90
				18296012 DEC 2018 - OAK BAY & MATS VIEW	19.61
				18296013 DEC 2018 - OAK BAY RD & MATS VW	43.57
				24562001 DEC 2018 - 6062 HWY 20	764.08
				25789001 DEC 2018 - 310 4 CORNERS #LHQ	511.37
				25789001 DEC 2018 - 310 4 CORNERS #LHQ	814.40
				25789001 DEC 2018 - 310 4 CORNERS #LHQ	321.97
				25789001 DEC 2018 - 310 4 CORNERS #LHQ	246.21
				25789001 DEC 2018 - 310 4 CORNERS #LHQ	117.85
				25789001 DEC 2018 - 310 4 CORNERS #LHQ	92.59
				30119000 DEC 2018 - 310 FOUR CORNERS RD	20.69
				30119000 DEC 2018 - 310 FOUR CORNERS RD	32.96
				30119000 DEC 2018 - 310 FOUR CORNERS RD	13.03
				30119000 DEC 2018 - 310 FOUR CORNERS RD	9.96
				30119000 DEC 2018 - 310 FOUR CORNERS RD	4.77
				30119000 DEC 2018 - 310 FOUR CORNERS RD	3.75
				31990000 DEC 2018 - EAGLE RDG BOOSTER PU	133.30
				35586000 DEC 2018 - 581 FAIRMOUNT RD	35.92
				46543000 DEC 2018 - 211 CHIMACUM RD #B	49.14
				46543000 DEC 2018 - 211 CHIMACUM RD #B	32.76

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				46543000 DEC 2018 - 211 CHIMACUM RD #B	5.46
				46543000 DEC 2018 - 211 CHIMACUM RD #B	3.64
				46543001 DEC 2018 - 211 CHIMACUM RD #C	45.23
				46543001 DEC 2018 - 211 CHIMACUM RD #C	30.14
				46543001 DEC 2018 - 211 CHIMACUM RD #C	5.03
				46543001 DEC 2018 - 211 CHIMACUM RD #C	3.35
				17648003 DEC 2018 - 253 STARK RD	18.50
				17648022 DEC 2018 - 60 WILLOW ST	120.60
				18296006 DEC 2018 - 881 SHINE RD	19.41
				18296007 DEC 2018 - 41 MAXVIEW DR	21.62
				18296009 DEC 2018 - 10 OLYMPIC RIDGE DR	97.55
				18296010 DEC 2018 - S END ALPINE CT.	209.93
				18296014 DEC 2018 - 83 E SNOW CREEK WAY	66.94
				18296015 DEC 2018 - 125 DICKEY ST	20.82
				18296016 DEC 2018 - QUIL RANGER STATION	78.31
				22562000 DEC 2018 - NXT TO 1300 SHINE RD	18.90
				10493003 DEC 2018-DISC BAY BOOSTER PMP	80.32
				17648002 DEC 2018 - 744 HIDDEN TRLS RD	43.98
				17648013 DEC 2018 - 72 HILLCREST AVE	34.51
				17648014 DEC 2018 - 578 BECKETT PT RD	84.35
				17648015 DEC 2018 - 370 BECKETT PT PS2	75.29
				18296000 DEC 2018-141 GARDINER CEMETERY	79.32
				18296001 DEC 2018 - GARDINER LUD #1	181.02
				18296002 DEC 2018 - 6910 CAPE GEORGE RD	167.93
				18296003 DEC 2018 - SWANSON AVE	202.68
				18296004 DEC 2018 - CAPE GEORGE RD	21.02
				18296005 DEC 2018 - MYRTLE ST	32.70
Total for Check/Tran - 119292:					12,561.58
119293	01/10/2019	CHK	10203	PURMS JOINT SELF INSURANCE FUND HEALTH & WELFARE DEC 2018	15,550.56
				DEDUCTIBLE PMT FOR CLAIM 18-80-L	250.00

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
Total for Check/Tran - 119293:					15,800.56
119294 01/10/2019	CHK	10720	RAINSHADOW PROPERTIES, INC	DAMAGE AT SWAN HOTEL BY BERNT ERICSEN	601.00
119295 01/10/2019	CHK	10540	JEFF RANDALL	WPUDA MTG 11/27-12/19/18 TRVL EXPS	73.71
				WPUDA MTG 11/27-12/19/18 TRVL EXPS	18.43
Total for Check/Tran - 119295:					92.14
119296 01/10/2019	CHK	10471	RICOH USA , INC.- DALLAS	4CORNERS (MODULAR) RENT 1/18-2/17/19	69.66
				4CORNERS (MODULAR) RENT 1/18-2/17/19	17.42
				ANNEX-COPIER RENT 1/19-2/18/19	31.89
				ANNEX-COPIER RENT 1/19-2/18/19	58.79
				ANNEX-COPIER RENT 1/19-2/18/19	2.04
				ANNEX-COPIER RENT 1/19-2/18/19	9.04
Total for Check/Tran - 119296:					188.84
119297 01/10/2019	CHK	10216	SECURITY SERVICES NW, INC.	FIRE & SECURITY ALARM AT 4CRNRS Q1 2019	198.00
				FIRE ALARM AT 73 KENNEDY RD Q1 2019	99.00
				NIGHT PAYMENT PICKUP - DEC 2018	1,325.81
				NIGHT PAYMENT PICKUP - DEC 2018	147.31
Total for Check/Tran - 119297:					1,770.12
119298 01/10/2019	CHK	10219	SHOLD EXCAVATING INC	EXCAVATOR;L&M - CENTER RD MM13 11/20/18	2,343.50
119299 01/10/2019	CHK	10542	SHORT STOP TRUCK REPAIR LLC	REPLACE AC CONDENSER# 102	1,752.47
				JOHN DEERE GENERATOR REPAIR	984.41
				MINOR REPAIRS TRUCK# 103	591.96
				COYLE - REPLACE GENERATOR STARTER	1,218.04
Total for Check/Tran - 119299:					4,546.88
119300 01/10/2019	CHK	10227	SOUND PUBLISHING INC	EMPL SVC AD CSR NOV-18	95.72
				LEGAL: CAB RECURITMENT AD# 2263590&22641	281.60
				EMPL SVC AD CSR NOV-18	23.93
				LEGAL: CAB RECURITMENT AD# 2263590&22641	70.40
Total for Check/Tran - 119300:					471.65

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119301 01/10/2019	CHK	10331	ST VINCENT DE PAUL	PWRBST/ST VINCENT DE PAUL DEC 2018	1,749.67
119302 01/10/2019	CHK	10466	TEAMVIEWER GMBH	TEAMVIEWER 13 UPGRD 1Y 12/12/18-12/11/19 TEAMVIEWER 13 UPGRD 1Y 12/12/18-12/11/19	1,576.14 -130.14
Total for Check/Tran - 119302:					1,446.00
119303 01/10/2019	CHK	10722	TECHNIQUE DATA SYSTEMS, INC.	3577 2YR CK SCANNERAGRMT 1/08/19-1/07/21 3577 2YR CK SCANNERAGRMT 1/08/19-1/07/21 3577 2YR CK SCANNERAGRMT 1/08/19-1/07/21	-53.89 522.13 130.54
Total for Check/Tran - 119303:					598.78
119304 01/10/2019	CHK	10251	UGN - JEFFERSON COUNTY	DONATIONS 1/11/2019	20.00
119305 01/10/2019	CHK	10486	UTILIBIZ SOLUTIONS	PROF SVC 12/01-12/31/18 MULTIPLE S.CARTE PROF SVC 12/01-12/31/18 MULTIPLE S.CARTE PROF SVC 12/01-12/31/18 MULTIPLE F.SKUBE PROF SVC 12/01-12/31/18 MULTIPLE S.CARTE PROF SVC 12/01-12/31/18 MULTIPLE T.LEHMA PROF SVC 12/01-12/31/18 MULTIPLE F.SKUBE PROF SVC 12/01-12/31/18 MULTIPLE S.CARTE PROF SVC 12/01-12/31/18 MULTIPLE T.LEHMA	3,465.00 990.00 742.50 25,852.09 5,568.75 82.50 4,155.78 4,537.50
Total for Check/Tran - 119305:					45,394.12
119306 01/10/2019	CHK	10256	UTILITIES UNDERGROUND LOCATION	LOCATES - DEC 2018 LOCATES & MODEM TICKET DEL - DEC 2018	51.60 58.52
Total for Check/Tran - 119306:					110.12
119307 01/10/2019	CHK	10517	VIKING FENCE COMPANY	REPAIR FENCING-POLE YARD	16,383.79
119308 01/10/2019	CHK	10260	WA STATE DEFERRED COMPENSATION	PL DEFERRED COMP EE 1/11/19 PL DEFERRED COMP ER 1/11/19 J DEHNERT DCP CORRECTION	9,388.80 3,680.08 -6.56
Total for Check/Tran - 119308:					13,062.32
119309 01/10/2019	CHK	10265	WA STATE DEPT OF RETIREMENT SYST	RETIREMENT/REPORT #8828 DEC 2018	101,344.54
119310 01/10/2019	CHK	10267	WA STATE SUPPORT REGISTRY	PL CHILD SUPPORT EE 1/11/19	958.00

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119311 01/10/2019	CHK	10569	WAYNE D. ENTERPRISES, INC.	PPE-FLEECE	213.49
				PPE-JEAN	249.08
				PPE EMPLOYEE CLOTHING - DEAN, RAE	-55.45
				PPE-HOODIE	208.96
				PPE EMPLOYEE CLOTHING - RIVERA	-20.68
				PPE-JACKET	250.46
				PPE - EMPLOYEE CLOTHING - LEE	-87.27
				PPE-COAT	121.31
				PPE-HAT	23.41
				PPE-HOODIE	114.82
				PPE-JACKET	154.67
				PPE-SHIRT	57.13
				PPE-SHIRT	57.13
				PPE-COAT	121.34
				PPE-HAT	23.41
				PPE-HOODIE	114.82
				PPE-JACKET	154.67
				PPE-SHIRT	114.26
				PPE EMPLOYEE CLOTHING-KLINE	-72.62
				PPE-JEANS	412.53
				PPE-SHIRTS	467.02
Total for Check/Tran - 119311:					2,622.49
119312 01/10/2019	CHK	10271	WESCO RECEIVABLES CORP	SIDE BY	90.47
				HOTLINE CLAMP	795.70
Total for Check/Tran - 119312:					886.17
119313 01/17/2019	CHK	10447	ANIXTER INC.	FUSE TRIP-O 10 AMP	150.97
				FUSE TRIP-O 6 AMP	136.25
Total for Check/Tran - 119313:					287.22
119314 01/17/2019	CHK	10016	ASPLUNDH TREE EXPERT CO	TREE TRIMMING PARADISE BAY TO PT LUDLOW	174,825.00

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119315 01/17/2019	CHK	10018	ASSOCIATED PETROLEUM PRODUCTS I	CUST#01-7500239 DIESEL & GASOLINE	15,764.88
119316 01/17/2019	CHK	10085	FASTENAL	HEADLAMPS QTY83	27.27
				HEADLAMPS QTY83	27.27
				HEADLAMPS QTY83	27.27
				HEADLAMPS QTY83	27.27
				HEADLAMPS QTY83	27.27
				HEADLAMPS QTY83	27.29
				AA & D BATTERIES	20.38
				AA & D BATTERIES	5.10
Total for Check/Tran - 119316:					189.12
119317 01/17/2019	CHK	10094	GENERAL PACIFIC, INC	SPLICE KIT 750 SHIELED	4,801.28
119318 01/17/2019	CHK	10098	GRAINGER	ARC FLASH FACESHIELD	204.16
				ARC FLASH FACESHIELD	204.14
Total for Check/Tran - 119318:					408.30
119319 01/17/2019	CHK	10366	ICPE	IRON DALE SUBSTATION ENGINEERING-OCT&NOV	1,480.00
119320 01/17/2019	CHK	10210	RICOH USA, INC	PRINTING IMAGES 4CRNRS(MODULAR) DEC-18	51.27
				PRINTING IMAGES 4CRNRS(MODULAR) DEC-18	12.82
				PRINTING IMAGES ANNEX DEC-18	316.67
				PRINTING IMAGES ANNEX DEC-18	404.26
				PRINTING IMAGES ANNEX DEC-18	179.67
				PRINTING IMAGES ANNEX DEC-18	20.21
				PRINTING IMAGES ANNEX DEC-18	44.92
				PRINTING IMAGES ANNEX DEC-18	44.92
				PRINTING IMAGES 4 CRNRS DEC-18	409.86
				PRINTING IMAGES 4 CRNRS DEC-18	102.47
Total for Check/Tran - 119320:					1,587.07
119321 01/18/2019	CHK	10012	ALTEC INDUSTRIES, INC	REPLACEMENT OUTRIGGER PADS	682.45
				HYDRAULIC GROUND ROD DRIVER	2,616.07
				DISCONNECT HOOK	32.86

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				JUMPER TOOL	255.29
				Total for Check/Tran - 119321:	3,586.67
119322 01/18/2019	CHK	10451	ASCENT LAW PARTNERS LLP	BOC MEETINGS FLAT FEE (225-104) DEC 2018	5,624.56
				BOC MEETINGS FLAT FEE (225-104) DEC 2018	1,406.14
				GENERAL UTILITY (225-102) DEC 2018	9,258.56
				GENERAL UTILITY (225-102) DEC 2018	2,314.64
				NOANET REVIEW (225-101) DEC 2018	1,440.00
				NOANET REVIEW (225-101) DEC 2018	360.00
				Total for Check/Tran - 119322:	20,403.90
119323 01/18/2019	CHK	10027	BERNT ERICSEN EXCAVATING, INC	SWANASONVILLE CONDUIT/VAULT FINAL	32,393.06
119324 01/18/2019	CHK	10041	CDW GOVERNMENT	TONER CARTRIDGE - XEROX HP LJ PRO 400MFP	86.73
				TONER CARTRIDGE - XEROX HP LJ PRO 400MFP	21.68
				Total for Check/Tran - 119324:	108.41
119325 01/18/2019	CHK	10045	CENTURY LINK-S	CHOICE BUSINESS 1/04-2/03	98.23
				CHOICE BUSINESS 1/04-2/03	24.56
				FIRE ALARMS 4 CRNRS CHOICE BUS 1/05-2/04	30.14
				FIRE ALARMS 4 CRNRS CHOICE BUS 1/05-2/04	13.10
				FIRE ALARMS 4 CRNRS CHOICE BUS 1/05-2/04	35.38
				FIRE ALARMS 4 CRNRS CHOICE BUS 1/05-2/04	52.42
				BUSINESS LINE 1/05-2/04	39.86
				BUSINESS LINE 1/05-2/04	9.96
				DIRECT INWARD DIALING 1/05-2/04	51.90
				DIRECT INWARD DIALING 1/05-2/04	22.56
				DIRECT INWARD DIALING 1/05-2/04	60.92
				DIRECT INWARD DIALING 1/05-2/04	90.26
				DIRECT INWARD DIALING 1/05-2/04	10.03
				DIRECT INWARD DIALING 1/05-2/04	15.04
				Total for Check/Tran - 119325:	554.36
119326 01/18/2019	CHK	9998	CHURCHILL LANE ESTATES HOME OW	Credit Balance Refund	1,813.00

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119327 01/18/2019	CHK	10052	CITY OF PORT TOWNSEND	4TH QTR 2018 - 6% CITY TAX FROM CUSTOMRS	164,755.28
119328 01/18/2019	CHK	10051	CITY OF PORT TOWNSEND-UTILITY	KEARNEY SUBST - DEC 2018	167.25
119329 01/18/2019	CHK	10621	CRAIG LABENZ	WEB DEVELOPMENT FOR COMMUN DEPT DEC-18	240.00
				WEB DEVELOPMENT FOR COMMUN DEPT DEC-18	60.00
Total for Check/Tran - 119329:					300.00
119330 01/18/2019	CHK	10551	DAY WIRELESS SYSTEMS	JAN 2018 MOBILE RADIOS	897.95
119331 01/18/2019	CHK	10404	FARWEST LINE SPECIALTIES LLC	ARC FLASH FACESHIELD	-12.38
				ARC FLASH FACESHIELD	43.48
				ARC FLASH FACESHIELD	20.99
				ARC FLASH FACESHIELD	20.99
				ARC FLASH FACESHIELD	20.99
				ARC FLASH FACESHIELD	43.49
Total for Check/Tran - 119331:					137.56
119332 01/18/2019	CHK	10085	FASTENAL	AAA BATTERIES	47.71
				AAA BATTERIES	11.93
				WASHERS FOR WAREHOUSE	16.24
				PPE GLOVES & SAFETY VESTS	129.38
				PPE GLOVES & SAFETY VESTS	129.39
Total for Check/Tran - 119332:					334.65
119333 01/18/2019	CHK	10113	HRA VEBA TRUST CONTRIBUTIONS	VEBA BENEFIT DEC 2018	1,200.00
				VEBA DEDUCTION DEC 2018	400.00
Total for Check/Tran - 119333:					1,600.00
119334 01/18/2019	CHK	10114	IBEW LOCAL UNION NO 77	UNION DUES IBEW - DEC 2018	1,869.28
119335 01/18/2019	CHK	10518	J HARLEN COMPANY	HAMMER,PLIERS,DRIVER,KNIFE,RULER-LEE	-22.13
				ACSR PLIERS	101.22
				DRIVER	11.56
				FOLDING RULER	24.50
				HAMMER	18.28

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				PLIERS	8.61
				SKINNING KNIFE	20.45
				DRIVER	11.56
				FOLDING RULER	24.50
				HAMMER	18.28
				PLIERS	8.61
				SKINNING KNIFE	20.45
				Total for Check/Tran - 119335:	245.89
119336	01/18/2019	CHK 10726	JACKSON THORNTON & CO., P.C.	PROGRESS BILL FIN STMTS THRU 12/31/18	1,000.00
119337	01/18/2019	CHK 10281	JEFFCO EFTPS	941 PAYROLL TAX FOR PR 12/28/18 MEDICARE	4,628.08
				941 PAYROLL TAX FOR PR 12/28/18 FICA	9,141.56
				Total for Check/Tran - 119337:	13,769.64
119338	01/18/2019	CHK 10126	JEFFERSON COUNTY PUBLIC WORKS	ELEC-TYPE A&B UTILITY PRMT 5/22-12/31/18	51.00
				ELEC-TYPE A&B UTILITY PRMT 5/22-12/31/18	51.00
				ELEC-TYPE A&B UTILITY PRMT 5/22-12/31/18	51.00
				ELEC-TYPE A&B UTILITY PRMT 5/22-12/31/18	51.00
				ELEC-TYPE A&B UTILITY PRMT 5/22-12/31/18	256.00
				ELEC-TYPE A&B UTILITY PRMT 5/22-12/31/18	256.00
				ELEC-TYPE A&B UTILITY PRMT 5/22-12/31/18	256.00
				ELEC-TYPE A&B UTILITY PRMT 5/22-12/31/18	256.00
				ELEC-TYPE A&B UTILITY PRMT 5/22-12/31/18	256.00
				ELEC-TYPE A&B UTILITY PRMT 5/22-12/31/18	256.00
				ELEC-TYPE A&B UTILITY PRMT 5/22-12/31/18	256.00
				ELEC-TYPE A&B UTILITY PRMT 5/22-12/31/18	256.00
				WATR-TYPE A&B UTILITY PRMT 6/01-12/31/18	51.00
				WATR-TYPE A&B UTILITY PRMT 6/01-12/31/18	51.00
				WATR-TYPE A&B UTILITY PRMT 6/01-12/31/18	256.00
				WATR-TYPE A&B UTILITY PRMT 6/01-12/31/18	256.00
				WATR-TYPE A&B UTILITY PRMT 6/01-12/31/18	256.00
				WATR-TYPE A&B UTILITY PRMT 6/01-12/31/18	256.00

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				WATR-TYPE A&B UTILITY PRMT 6/01-12/31/18	256.00
				WATR-TYPE A&B UTILITY PRMT 6/01-12/31/18	256.00
Total for Check/Tran - 119338:					3,890.00
119339 01/18/2019	CHK	10128	JEFFERSON COUNTY TREASURER	B&O TAX DEC 2018	151,630.21
				B&O TAX DEC 2018	-149,861.84
Total for Check/Tran - 119339:					1,768.37
119340 01/18/2019	CHK	10286	L & J ENTERPRISES	PIT RUN - PROSPECT 12/20/2018	144.97
119341 01/18/2019	CHK	10134	LE MAY MOBILE SHREDDING	SHRED 211 CHIMACUM DEC-18	10.66
				SHRED 211 CHIMACUM DEC-18	19.64
				SHRED 211 CHIMACUM DEC-18	0.68
				SHRED 211 CHIMACUM DEC-18	3.02
Total for Check/Tran - 119341:					34.00
119342 01/18/2019	CHK	10136	LES SCHWAB TIRES	NEW AIR BAGS FOR VEH# 209	852.76
119343 01/18/2019	CHK	10531	MILSOFT UTILITY SOLUTIONS, INC	LIGHTTABLE SUPPORT 1YR 2/01/19-1/31/20	1,090.00
119344 01/18/2019	CHK	10153	MURREY'S DISPOSAL CO., INC.	ACCT# 2122-155138-003 - 21KENNEDY DEC-18	35.82
				ACCT# 2122-155138-003 - 21KENNEDY DEC-18	35.83
Total for Check/Tran - 119344:					71.65
119345 01/18/2019	CHK	10328	NETWORK FLEET, INC	VEH GPS ELEC - DEC 2018	331.36
				VEH GPS WATER - DEC 2018	165.68
Total for Check/Tran - 119345:					497.04
119346 01/18/2019	CHK	10163	NOR'WEST CUSTODIAL SERVICES, INC.	CUSTODIAL SVC - DEC 2018	921.23
				CUSTODIAL SVC - DEC 2018	289.02
				CUSTODIAL SVC - DEC 2018	72.25
Total for Check/Tran - 119346:					1,282.50
119347 01/18/2019	CHK	10164	NW LABORERS 252 (DUES)	UNION DUES LABORERS - DEC 2018	585.00
119348 01/18/2019	CHK	10167	OFFICE DEPOT	OFFICE SUPPLIES - OPERATIONS	84.89
				OFFICE SUPPLIES - OPERATIONS	44.30

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Total for Check/Tran - 119348:					129.19
119349 01/18/2019	CHK	10170	OLYMPIC EQUIPMENT RENTALS	COYLE REPAIR - COMPACTOR UPR	70.85
				STRAP KIT FOR CRANE ON TRK# 202	108.99
				EXCAVATOR CAT - RNTL STROMBERG	239.80
				EXCAVATOR CAT - RNTL PROSPECT	305.20
				REPAIR - COMPACTOR UPR	70.85
Total for Check/Tran - 119349:					795.69
119350 01/18/2019	CHK	10171	ON LINE INFORMATION SERVICES	ONLINE UTILITY EXG REPORT - DEC 2018	242.00
119351 01/18/2019	CHK	10175	PACIFIC UNDERWRITERS CORP	LIFE - FEB 2019	75.80
				LTD - FEB 2019	1,213.55
Total for Check/Tran - 119351:					1,289.35
119352 01/18/2019	CHK	10377	JAMES G PARKER	MEDICAL FEB 2019 - JIM PARKER	712.80
				MEDICAL FEB 2019 - JIM PARKER	178.20
Total for Check/Tran - 119352:					891.00
119353 01/18/2019	CHK	10629	PETTY CASH	MAINTENANCE PARTS TRK# 403	12.68
				SUBSTATION FASTENERS	7.28
				SUBSTATION PARTS	3.83
				TOOL PARTS	9.71
Total for Check/Tran - 119353:					33.50
119354 01/18/2019	CHK	10187	PITNEY BOWES-RESERVE ACCT	PRE-PAID POSTAGE 1/11/19	320.00
				PRE-PAID POSTAGE 1/11/19	80.00
				PRE-PAID POSTAGE 1/14/19	320.00
				PRE-PAID POSTAGE 1/14/19	80.00
Total for Check/Tran - 119354:					800.00
119355 01/18/2019	CHK	10190	PNWS-AWWA	BUILDING RESILIENCE TRNG CLASS 1/23/19	80.00
				BUILDING RESILIENCE TRNG CLASS 1/23/19	20.00
Total for Check/Tran - 119355:					100.00
119356 01/18/2019	CHK	10193	PORT TOWNSEND LEADER	LEGAL: RFQ ELECT ENG SERVICES 12/05	27.20

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				MAGAZINE 2016 IRE 1/4PG 12/5/18	142.40
				LEGAL: RFQ ELECT ENG SERVICES 12/05	6.80
				MAGAZINE 2016 IRE 1/4PG 12/5/18	35.60
				Total for Check/Tran - 119356:	212.00
119357 01/18/2019	CHK	10197	PRINTERY COMMUNICATIONS	BUSINESS CARDS FOR COMMISSIONER	89.74
				BUSINESS CARDS FOR COMMISSIONER	22.43
				Total for Check/Tran - 119357:	112.17
119358 01/18/2019	CHK	10201	PUBLIC POWER COUNCIL	2019 ANNUAL DUES ASSESSMENT 1YR	20,574.00
119359 01/18/2019	CHK	10203	PURMS JOINT SELF INSURANCE FUND	AEGIS POLICY#XL5063707P 1/01/19-12/31/19	54,509.69
				EIM LIABILITY POLICY 1/01/19-12/31/19 1Y	14,417.78
				LIABILITY GENERAL ASSESSMENT 12/31/18	5,782.46
				LIABILITY GENERAL ASSESSMENT 12/31/18	1,445.61
				PROPERTY GENERAL ASSESSMENT 12/31/18	4,582.38
				PROPERTY GENERAL ASSESSMENT 12/31/18	1,145.59
				Total for Check/Tran - 119359:	81,883.51
119360 01/18/2019	CHK	10249	SPECTRA LABORATORIES-KITSAP LLC	TESTING: COLI/ECOLI&NITRATE ANNL12/19/18	23.00
				TESTING: COLI/ECOLI&NITRATE ANNL12/19/18	28.00
				TESTING: COLI/ECOLI&NITRATE ANNL12/19/18	28.00
				TESTING: COLI/ECOLI&NITRATE ANNL12/19/18	23.00
				TESTING: COLI/ECOLI&NITRATE ANNL12/19/18	28.00
				TESTING: COLI/ECOLI&NITRATE ANNL12/19/18	23.00
				TESTING: COLI/ECOLI&NITRATE ANNL12/19/18	28.00
				TESTING: COLI/ECOLI&NITRATE ANNL12/19/18	23.00
				TESTING: COLI/ECOLI&NITRATE ANNL12/19/18	28.00
				Total for Check/Tran - 119360:	232.00
119361 01/18/2019	CHK	10421	THE CARWASH INC	FLEET ID PUD-CAR WASH DEC 2018	19.62
				FLEET ID PUD-CAR WASH OCT 2018	9.81
				Total for Check/Tran - 119361:	29.43
119362 01/18/2019	CHK	10327	U.S. POSTAL SERVICE / US POSTMASTE	PO BOX RENTAL 12 MONTHS FOR 2019	163.80

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				PO BOX RENTAL 12 MONTHS FOR 2019	18.20
Total for Check/Tran - 119362:					182.00
119363	01/18/2019	CHK 10730	USDA FOREST SERVICE	ANNUAL SPECIAL USE PERMIT FOR FRANCHISE	363.58
119364	01/18/2019	CHK 10269	WAVE BROADBAND	INTERNET SVC 1/12-2/11/19	66.21
119365	01/18/2019	CHK 10496	WELLS FARGO VENDOR FIN SERV	COPIER RENTAL 211 CHIMACUM JAN-19	123.30
				COPIER RENTAL 211 CHIMACUM JAN-19	227.34
				COPIER RENTAL 211 CHIMACUM JAN-19	7.87
				COPIER RENTAL 211 CHIMACUM JAN-19	34.98
Total for Check/Tran - 119365:					393.49
119366	01/24/2019	CHK 10481	AMAZON	ERGONOMIC KEYBOARD	85.47
				NUMBER PAD KEYBOARD	31.03
				STAND&WRIST REST FOR ERGONOMIC KEYBOARD	31.39
				ERGONOMIC KEYBOARD	21.36
				NUMBER PAD KEYBOARD	7.76
				STAND&WRIST REST FOR ERGONOMIC KEYBOARD	7.85
				GM SEAT RECLINER HANDLE	39.00
				CANON PGI-2200XL BLACK INK TANK	64.51
				CANON PGI-2200XL BLACK INK TANK	16.13
Total for Check/Tran - 119366:					304.50
119367	01/24/2019	CHK 10495	AUDIT & ADJUSTMENT COMPANY, INC.	PL GARNISHMENT	587.33
119368	01/24/2019	CHK 10027	BERNT ERICSEN EXCAVATING, INC	FLAGGING - NESS CRNR & HWY 19 12/28/18	1,987.00
				SWANASONVILLE EMERGY 12/11-12/18/18	6,858.28
Total for Check/Tran - 119368:					8,845.28
119369	01/24/2019	CHK 10043	CENTRAL WELDING SUPPLY	255CF NITROGEN	29.84
119370	01/24/2019	CHK 10052	CITY OF PORT TOWNSEND	PERMIT TYPE: MIP-PMT 914 WALKER ST	240.50
119371	01/24/2019	CHK 10366	ICPE	IRON DALE SUBSTATION ENGINEERING-DEC	8,182.08
				GENERAL SVC - ENGINEERING DEC18	600.00
Total for Check/Tran - 119371:					8,782.08

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
119372 01/24/2019	CHK	10281	JEFFCO EFTPS	941 PAYROLL TAX FOR PR 1/25/19 MEDICARE	5,065.44
				941 PAYROLL TAX FOR PR 1/25/19 FICA	21,658.82
				941 PAYROLL TAX FOR PR 1/25/19 FEDERAL	16,973.05
				Total for Check/Tran - 119372:	43,697.31
119373 01/24/2019	CHK	10120	JEFFERSON CO AUDITOR	ELECTION COSTS FOR GENERAL ELEC 11/06/18	8,934.99
				ELECTION COSTS FOR GENERAL ELEC 11/06/18	2,233.75
				Total for Check/Tran - 119373:	11,168.74
119374 01/24/2019	CHK	10532	JEFFERSON COUNTY PUD PAYROLL AC	PAYROLL DEPOSIT FOR 1/25/2019 CHECKS	11,924.86
				PAYROLL DEPOSIT FOR 1/25/2019 DIR DEP	104,183.22
				Total for Check/Tran - 119374:	116,108.08
119375 01/24/2019	CHK	10129	JIFFY LUBE	OIL CHANGE FOR VEH# 209	88.91
119376 01/24/2019	CHK	10348	KEMP WEST, INC	TREE TRIMMING EAST QUILCENE THRU 12/31	9,072.00
119377 01/24/2019	CHK	10728	LUCIE R. BERNHEIM ATTORNEY AT LA	PL GARNISHMENT	359.24
119378 01/24/2019	CHK	10705	MARLENE GEMMILL, TRUSTEE	FEB 2019 RENT	2,100.00
119379 01/24/2019	CHK	10313	MICHELS POWER	IRONDALE SUB PROJECT THRU DEC 2018	261,914.45
				IRONDALE SUB PROJECT THRU DEC 2018	48,623.77
				Total for Check/Tran - 119379:	310,538.22
119380 01/24/2019	CHK	10155	NESCO LLC	QUARTERLY GLOVE/BLANKET TESTING	228.90
				QUARTERLY GLOVE/BLANKET TESTING	98.10
				Total for Check/Tran - 119380:	327.00
119381 01/24/2019	CHK	10309	NISC	RECURRING INVOICE DEC 2018	1,081.06
				RECURRING INVOICE DEC 2018	206.01
				RECURRING INVOICE DEC 2018	1,706.88
				RECURRING INVOICE DEC 2018	488.31
				RECURRING INVOICE DEC 2018	488.31
				RECURRING INVOICE DEC 2018	8,752.53
				RECURRING INVOICE DEC 2018	565.39

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				RECURRING INVOICE DEC 2018	53.34
				RECURRING INVOICE DEC 2018	1,604.31
				RECURRING INVOICE DEC 2018	173.33
				RECURRING INVOICE DEC 2018	10.16
				AMS INVOICE DEC 2018	2,431.04
				AMS INVOICE DEC 2018	5,469.92
				AMS INVOICE DEC 2018	801.92
				AMS INVOICE DEC 2018	734.57
				AMS INVOICE DEC 2018	607.77
				AMS INVOICE DEC 2018	1,367.48
				AMS INVOICE DEC 2018	200.48
				AMS INVOICE DEC 2018	183.65
				REMOTE INSTALI FEE FOR DELL SERVER	2,943.00
				MISC DEC 2018	225.67
				MISC DEC 2018	396.35
				MISC DEC 2018	538.90
				MISC DEC 2018	73.25
				MISC DEC 2018	56.42
				MISC DEC 2018	99.09
				MISC DEC 2018	134.72
				MISC DEC 2018	18.31
Total for Check/Tran - 119381:					31,412.17
119382	01/24/2019	CHK	10534	ONEPATH SYSTEMS, LLC	
				WEB HOSTING - SUPPORT JAN 2019	264.00
				WEB HOSTING - SUPPORT JAN 2019	66.00
Total for Check/Tran - 119382:					330.00
119383	01/24/2019	CHK	10188	PLATT ELECTRIC SUPPLY	
				ACSR CRIMPER JAWS	467.61
				2" SCHEDULE 40 & 4" SCHEDULE 40 CONDUIT	15,078.75
				CONDUIT CAPS	167.71
				FREIGHT FOR INV# T504898 - SUBSTATION ST	66.82
Total for Check/Tran - 119383:					15,780.89

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
119384 01/24/2019	CHK	10708	RCE TRAFFIC CONTROL, INC	FLAGGING HRS - FLAGLER RD 12/14/18	767.75
				FLAGGING HRS - BEAVERVALLEY RD 12/12/18	1,074.00
				FLAGGING HRS - SWANSONVILLE 12/11/18	1,853.60
				Total for Check/Tran - 119384:	3,695.35
119385 01/24/2019	CHK	10216	SECURITY SERVICES NW, INC.	ANSWERING SVC - JAN2019	1,945.97
				ANSWERING SVC - JAN2019	1,945.98
				ANSWERING SVC - JAN2019	972.99
				QUILCENE TREE TRIMMING MAILERS QTY95	80.75
				Total for Check/Tran - 119385:	4,945.69
119386 01/24/2019	CHK	10217	SETON CONSTRUCTION INC	FLAGGING - CENTER RD 11/20/18	1,530.50
				FLAGGING - COOK AVE&HASTINGS 12/11/18	664.00
				FLAGGING - LINDSAY HILL QUILCENE 12/18	407.00
				FLAGGING - STORM-HWY19&20 PTHADLCK 12/22	664.00
				FLAGGING - STORM-ANDERSON L&SADDLE 12/22	2,500.00
				FLAGGING - NESS CRNR & HWY19 12/28/18	1,545.00
				Total for Check/Tran - 119386:	7,310.50
119387 01/24/2019	CHK	10219	SHOLD EXCAVATING INC	SEPTIC REPAIRS-TEMP MODULAR 12/20/18	3,378.22
				RPLC PUMPS&PIPES - 121 BLUFFS DR 11/20/1	1,125.56
				MATS VIEW TER - 24" FLAT LID W/ SCREWS	85.02
				Total for Check/Tran - 119387:	4,588.80
119388 01/24/2019	CHK	10475	SMARSH INC	ARCHIVING - DEC 2018	523.80
				ARCHIVING - DEC 2018	130.95
				Total for Check/Tran - 119388:	654.75
119389 01/24/2019	CHK	10236	STRAITS ELECTRIC LLC	BYWATER - INTERNAL FAN KITS QTY2 RPLCMNT	707.19
119390 01/24/2019	CHK	10576	TCF ARCHITECTURE, PLLC	ARCHITECTURAL-ADD'L SVC DEC-18	3,341.25
				ARCH-ADDL DEC-18	426.25
				ARCH-DSGN DEC-18	1,327.46
				Total for Check/Tran - 119390:	5,094.96

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
119391 01/24/2019	CHK	10727	TITAN ELECTRIC, INC	STORM CLEAN UP 12/20-12/21/18	70,794.59
				STORM CLEAN UP 12/20-12/21/18 HOTEL EXP	1,210.75
				STORM CLEAN UP 12/20-12/21/18	23,598.20
				STORM CLEAN UP 12/20-12/21/18 HOTEL EXP	403.58
Total for Check/Tran - 119391:					96,007.12
119392 01/24/2019	CHK	10251	UGN - JEFFERSON COUNTY	DONATIONS 1/25/2019	20.00
119393 01/24/2019	CHK	10260	WA STATE DEFERRED COMPENSATION	PL DEFERRED COMP EE 1/25/19	8,875.34
				PL DEFERRED COMP ER 1/25/19	3,359.65
Total for Check/Tran - 119393:					12,234.99
119394 01/24/2019	CHK	10337	WA STATE DEPT OF TRANSPORTATION	PERMIT-WO#17314 FRN#30435	1,050.24
119395 01/24/2019	CHK	10267	WA STATE SUPPORT REGISTRY	PL CHILD SUPPORT EE	957.99
119396 01/24/2019	CHK	10271	WESCO RECEIVABLES CORP	ONE SHOT	671.44
119397 01/24/2019	CHK	10274	WESTBAY AUTO PARTS, INC.	KIVLEY TREATMENT PLANT - COMPRESSOR KIT	141.69
119398 01/24/2019	CHK	10653	WILDFLOWER	5 SUBSTATIONS: MOWING OCT 2018	1,471.50
				FOUR CORNERS: LANDSCAPING OCT 2018	235.44
				FOUR CORNERS: LANDSCAPING OCT 2018	58.86
				5 SUBSTATIONS: MOWING DEC 2018	1,471.50
				FOUR CORNERS: LANDSCAPING DEC 2018	235.44
				FOUR CORNERS: LANDSCAPING DEC 2018	58.86
Total for Check/Tran - 119398:					3,531.60
119399 01/24/2019	CHK	10502	CAROL WOODLEY	RENT BILLING & HR ANNEX - FEB 2019	1,400.00

Total Payments for Bank Account - 1 : (155) 2,277,182.52

Total Voids for Bank Account - 1 : (1) 15,246.46

Total for Bank Account - 1 : (156) 2,292,428.98

Grand Total for Payments : (155) 2,277,182.52

Grand Total for Voids : (1) 15,246.46

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Grand Total : (156) 2,292,428.98

JEFFERSON COUNTY PUD NO 1

ISSUED PAYROLL CHECKS
PAY DATE: 1/11/2019

<u>Empl</u>	<u>Position</u>	<u>Check #</u>	<u>Date</u>	<u>Amount</u>
2000	WATER DISTRIBUTION MANAGER II	70541	1/11/2019	1,784.22
2001	WATER DISTRIBUTION MANAGER II	70542	1/11/2019	1,615.03
1038	INTERIM ELECTRICAL SUPERINTENDANT	70543	1/11/2019	875.76
3032	CUSTOMER SERVICE REP	70544	1/11/2019	1,082.34
2003	WATER TREATMENT PLANT OPERATOR III	70545	1/11/2019	1,950.17
2004	WATER TREATMENT PLANT OPERATOR III - LEAD	70546	1/11/2019	2,257.49
				<u>\$9,565.01</u>

JEFFERSON COUNTY PUD NO 1

ISSUED PAYROLL CHECKS

PAY DATE: 1/25/2019

<u>Empl</u>	<u>Position</u>	<u>Check #</u>	<u>Date</u>	<u>Amount</u>
2000	WATER DISTRIBUTION MANAGER II	70547	1/25/2019	1,721.36
2001	WATER DISTRIBUTION MANAGER II	70548	1/25/2019	1,782.28
1038	INTERIM ELECTRICAL SUPERINTENDANT	70549	1/25/2019	2,141.65
3032	CUSTOMER SERVICE REP	70550	1/25/2019	1,102.47
2003	WATER TREATMENT PLANT OPERATOR III	70551	1/25/2019	1,919.99
2004	WATER TREATMENT PLANT OPERATOR III - LEAD	70552	1/25/2019	3,257.11
				<u>\$11,924.86</u>

JEFFERSON COUNTY PUD NO 1

DIRECT DEPOSIT PAYROLL
PAY DATE: 1/11/2019

Empl	Position	Pay Date	Net Pay
3029	ACCOUNTING TECH II	1/11/2019	1,709.96
1011	ACTING GENERAL MANAGER	1/11/2019	4,483.00
4006	COMMISSIONER DIST 1	1/11/2019	938.03
4004	COMMISSIONER DIST 2	1/11/2019	1,030.89
4002	COMMISSIONER DIST 3	1/11/2019	583.38
4008	COMMISSIONER DIST 3	1/11/2019	350.35
3034	COMMUNICATIONS MANAGER	1/11/2019	2,030.27
3020	CUSTOMER SERVICE MANAGER	1/11/2019	1,630.53
3002	CUSTOMER SERVICE REP	1/11/2019	1,241.72
3014	CUSTOMER SERVICE REP	1/11/2019	1,155.94
3022	CUSTOMER SERVICE REP	1/11/2019	1,230.47
3005	EXECUTIVE ASSISTANT/PUBLIC RECORDS OFFICER	1/11/2019	2,130.95
3033	FINANCIAL SERVICES MANAGER	1/11/2019	2,401.33
1008	FOREMAN LINEMAN	1/11/2019	5,346.72
1012	FOREMAN LINEMAN	1/11/2019	5,119.51
3036	GENERAL MANAGER	1/11/2019	4,240.16
1004	GIS SPECIALIST	1/11/2019	3,026.06
1017	HEAD STOREKEEPER	1/11/2019	2,561.70
3026	HUMAN RESOURCES MANAGER	1/11/2019	2,618.60
3008	INFORMATION TECHNOLOGY MANAGER	1/11/2019	3,045.33
3028	IT SUPPORT TECHNICIAN	1/11/2019	1,752.41
1000	LINEMAN	1/11/2019	4,897.18
1013	LINEMAN	1/11/2019	4,431.85
1016	LINEMAN	1/11/2019	5,506.87
1019	LINEMAN	1/11/2019	759.64
1020	LINEMAN	1/11/2019	4,268.17
1028	LINEMAN	1/11/2019	3,077.87
1034	LINEMAN	1/11/2019	4,894.83
1018	METER READER	1/11/2019	1,788.00
1035	METER READER	1/11/2019	2,008.21
2005	METER READER/OIT1	1/11/2019	843.83
1026	OPERATIONS ASSISTANT	1/11/2019	1,514.02
3004	RESOURCE MANAGER	1/11/2019	2,306.64
1003	SCADA TECH/APPRENTICE	1/11/2019	2,301.43
1015	SCADA TECH/APPRENTICE	1/11/2019	4,502.04
1027	SENIOR ENGINEER	1/11/2019	2,839.77
1037	SPECIAL PROJECTS COORDINATOR	1/11/2019	1,918.55
1031	STAKING ENGINEER	1/11/2019	1,858.00
1014	STOREKEEPER	1/11/2019	1,651.28
1033	SUBSTATION TECH	1/11/2019	3,460.32
3013	UTILITY ACCOUNTANT II	1/11/2019	1,546.09
3003	UTILITY BILLING CLERK	1/11/2019	1,364.29
3027	UTILITY BILLING CLERK	1/11/2019	1,329.49
3000	UTILITY BILLING COORDINATOR	1/11/2019	1,502.98
2002	WATER DISTRIBUTION MANAGER II	1/11/2019	2,173.14
			111,371.80

JEFFERSON COUNTY PUD NO 1

DIRECT DEPOSIT PAYROLL PAY DATE: 1/25/2019

<u>Empl</u>	<u>Position</u>	<u>Pay Date</u>	<u>Net Pay</u>
3029	ACCOUNTING TECH II	1/25/2019	1,575.07
1011	ACTING GENERAL MANAGER	1/25/2019	3,988.88
4006	COMMISSIONER DIST 1	1/25/2019	3,072.92
4004	COMMISSIONER DIST 2	1/25/2019	2,399.27
4002	COMMISSIONER DIST 3	1/25/2019	1,864.91
4008	COMMISSIONER DIST 3	1/25/2019	888.03
3034	COMMUNICATIONS MANAGER	1/25/2019	1,925.13
3020	CUSTOMER SERVICE MANAGER	1/25/2019	1,630.52
3002	CUSTOMER SERVICE REP	1/25/2019	1,239.63
3014	CUSTOMER SERVICE REP	1/25/2019	1,298.64
3022	CUSTOMER SERVICE REP	1/25/2019	1,274.03
3005	EXECUTIVE ASSISTANT/PUBLIC RECORDS OFFICER	1/25/2019	1,985.17
3033	FINANCIAL SERVICES MANAGER	1/25/2019	2,401.34
1008	FOREMAN LINEMAN	1/25/2019	4,222.96
1012	FOREMAN LINEMAN	1/25/2019	5,021.69
3036	GENERAL MANAGER	1/25/2019	4,240.16
1004	GIS SPECIALIST	1/25/2019	2,915.35
1017	HEAD STOREKEEPER	1/25/2019	2,350.49
3026	HUMAN RESOURCES MANAGER	1/25/2019	2,516.46
3008	INFORMATION TECHNOLOGY MANAGER	1/25/2019	3,045.34
3028	IT SUPPORT TECHNICIAN	1/25/2019	1,752.42
1000	LINEMAN	1/25/2019	2,368.73
1013	LINEMAN	1/25/2019	3,907.46
1016	LINEMAN	1/25/2019	3,244.86
1019	LINEMAN	1/25/2019	0.00
1020	LINEMAN	1/25/2019	2,366.79
1028	LINEMAN	1/25/2019	2,474.90
1034	LINEMAN	1/25/2019	3,079.40
1018	METER READER	1/25/2019	1,848.44
1035	METER READER	1/25/2019	1,938.60
2005	METER READER/OIT1	1/25/2019	867.51
1026	OPERATIONS ASSISTANT	1/25/2019	1,498.39
3004	RESOURCE MANAGER	1/25/2019	2,306.63
1003	SCADA TECH/APPRENTICE	1/25/2019	2,495.01
1015	SCADA TECH/APPRENTICE	1/25/2019	2,381.29
1027	SENIOR ENGINEER	1/25/2019	2,826.84
1037	SPECIAL PROJECTS COORDINATOR	1/25/2019	1,902.04
1031	STAKING ENGINEER	1/25/2019	1,858.00
1039	STAKING ENGINEER	1/25/2019	2,092.63
1014	STOREKEEPER	1/25/2019	1,761.96
1033	SUBSTATION TECH	1/25/2019	3,540.55
3013	UTILITY ACCOUNTANT II	1/25/2019	1,556.08
3003	UTILITY BILLING CLERK	1/25/2019	1,380.63
3027	UTILITY BILLING CLERK	1/25/2019	1,366.45
3000	UTILITY BILLING COORDINATOR	1/25/2019	1,526.16
2002	WATER DISTRIBUTION MANAGER II	1/25/2019	1,985.46
			104,183.22

Jefferson County PUD No. 1
Highlights to Monthly Financial Statements
For the Period Ending December 31, 2018

- Revenues year-to-date
 - Ahead of 2017 by \$1.3MM
 - Ahead of 2018 budget by \$1.7MM
 - Electric and water rate increases implemented in 2018
 - Reduced kWh sales in 2018 compared to 2017

- Average residential electric bills
 - December 2018 – 1,289 kWh at 11.26 cents/kWh = \$145 average bill
 - December 2017 – 1,377 kWh at 10.73 cents/kWh = \$148 average bill
 - 2018 year-to-date – 996 kWh at 11.26 cents/kWh = \$112 average bill
 - 2017 year-to-date – 1,045 kWh at 10.84 cents/kWh = \$113 average bill

- Overall net margins year-to-date
 - Behind 2017 by \$73k
 - Ahead of 2018 budget by \$2MM

- Electric TIER and DSC
 - Ahead of 2018 budget year-to-date
 - Above RUS minimum requirements year-to-date
 - TIER / OTIER trending upward for the last quarter
 - DSC / ODSC trending reflects RUS principal and interest quarterly debt service payments

- Cash
 - Decreased \$1.4MM in December
 - Increased \$2.1MM year-to-date
 - Invested \$6.7MM in plant and equipment year-to-date
 - Paid \$7.1MM in principal and interest year-to-date

- New Report – 2018 Capital Expenditures to Budget page 16
 - Compares actual capital expenditures to budget
 - Not Yet Capitalized means funds spent but not capitalized. Once capitalized, depreciation begins.
 - 74% of capital expenditures have been spent as of Dec 31

General Ledger

Unaudited-Subject to Change

Page 1

Financial And Operating Report

COMBINED INCOME STATEMENT FOR DECEMBER 2018

Item	-----Year - To - Date-----			----- Period - To - Date -----	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue	38,175,747	39,475,445	37,782,971	4,065,839	3,817,644
2. Power Production Expense	101	757	0	0	0
3. Cost of Purchased Power	14,598,442	15,059,962	15,413,667	1,470,727	1,448,468
4. Transmission Expense	1,760,778	1,827,317	1,576,117	232,767	187,974
5. Regional Market Expense	0	0	0	0	0
6. Distribution Expense - Operation	1,274,120	1,768,136	1,687,812	193,156	140,098
7. Distribution Expense - Maintenance	2,165,135	2,816,637	2,506,737	505,739	208,815
8. Customer Accounts Expense	1,447,456	1,524,929	1,418,677	130,992	118,202
9. Customer Service and Informational Expense	82,881	91,005	174,619	4,727	14,542
10. Sales Expense	0	0	0	0	0
11. Administrative and General Expense	2,702,697	3,086,038	3,089,900	310,451	244,739
12. Total Operation & Maintenance Expense (2 thru 11)	24,031,610	26,174,781	25,867,529	2,848,559	2,362,838
13. Depreciation & Amortization Expense	5,797,400	5,913,691	5,640,147	495,586	470,015
14. Tax Expense - Property & Gross Receipts	0	0	0	0	0
15. Tax Expense - Other	2,188,402	2,237,750	2,216,361	231,776	225,597
16. Interest on Long-Term Debt	3,255,489	3,145,371	3,154,357	259,364	259,540
17. Interest Charged to Construction - Credit	0	0	0	0	0
18. Interest Expense - Other	0	3,852	0	0	0
19. Other Deductions	182,664	256	0	0	0
20. Total Cost of Utility Service (12 thru 19)	35,455,565	37,475,701	36,878,394	3,835,285	3,317,990
21. Operating Margins (1 minus 20)	2,720,182	1,999,744	904,577	230,554	499,654
22. Non Operating Margins - Interest	185,114	289,403	176,368	27,019	14,394
23. Allowance for Funds Used During Construction	0	0	0	0	0
24. Income (Loss) from Equity Investments	0	0	0	0	0
25. Non Operating Margins - Other	2,140,101	2,682,614	1,908,607	568,942	117,095
26. Generation and Transmission Capital Credits	0	0	0	0	0
27. Other Capital Credits and Patronage Dividends	20,013	20,617	0	0	0
28. Extraordinary Items - Cumulative Effect of GASB 68	0	0	0	0	0
29. Net Margins (21 thru 28)	5,065,410	4,992,378	2,989,552	826,515	631,143
Operating - Margin	2,720,182	1,999,744	904,577	230,554	499,654
Non Operating - Margin	2,345,228	2,992,634	2,084,975	595,961	131,489

General Ledger

Financial And Operating Report

INCOME STATEMENT COMPARISON THROUGH DECEMBER 2018

Item	-----Year - To - Date-----			
	<u>Last Year</u>	<u>This Year</u>	<u>Amount Change</u>	<u>Percent Change</u>
1. Operating Revenue	38,175,747	39,475,445	1,299,698	3.4%
2. Power Production Expense	101	757	656	649.5%
3. Cost of Purchased Power	14,598,442	15,059,962	461,520	3.2%
4. Transmission Expense	1,760,778	1,827,317	66,539	3.8%
5. Regional Market Expense	0	0	0	0.0%
6. Distribution Expense - Operation	1,274,120	1,768,136	494,016	38.8%
7. Distribution Expense - Maintenance	2,165,135	2,816,637	651,502	30.1%
8. Customer Accounts Expense	1,447,456	1,524,929	77,473	5.4%
9. Customer Service and Informational Expense	82,881	91,005	8,124	9.8%
10. Sales Expense	0	0	0	0.0%
11. Administrative and General Expense	2,702,697	3,086,038	383,341	14.2%
12. Total Operation & Maintenance Expense (2 thru 11)	24,031,610	26,174,781	2,143,171	8.9%
13. Depreciation & Amortization Expense	5,797,400	5,913,691	116,291	2.0%
14. Tax Expense - Property & Gross Receipts	0	0	0	0.0%
15. Tax Expense - Other	2,188,402	2,237,750	49,348	2.3%
16. Interest on Long-Term Debt	3,255,489	3,145,371	-110,118	-3.4%
17. Interest Charged to Construction - Credit	0	0	0	0.0%
18. Interest Expense - Other	0	3,852	3,852	0.0%
19. Other Deductions	182,664	256	-182,408	-99.9%
20. Total Cost of Utility Service (12 thru 19)	35,455,565	37,475,701	2,020,136	5.7%
21. Operating Margins (1 minus 20)	2,720,182	1,999,744	-720,438	-26.5%
22. Non Operating Margins - Interest	185,114	289,403	104,289	56.3%
23. Allowance for Funds Used During Construction	0	0	0	0.0%
24. Income (Loss) from Equity Investments	0	0	0	0.0%
25. Non Operating Margins - Other	2,140,101	2,682,614	542,513	25.4%
26. Generation and Transmission Capital Credits	0	0	0	0.0%
27. Other Capital Credits and Patronage Dividends	20,013	20,617	604	3.0%
28. Extraordinary Items	0	0	0	0.0%
29. Net Margins (21 thru 28)	5,065,410	4,992,378	-73,032	-1.4%
Operating - Margin	2,720,182	1,999,744	-720,438	
Non Operating - Margin	2,345,228	2,992,634	647,406	

General Ledger

Unaudited-Subject to Change

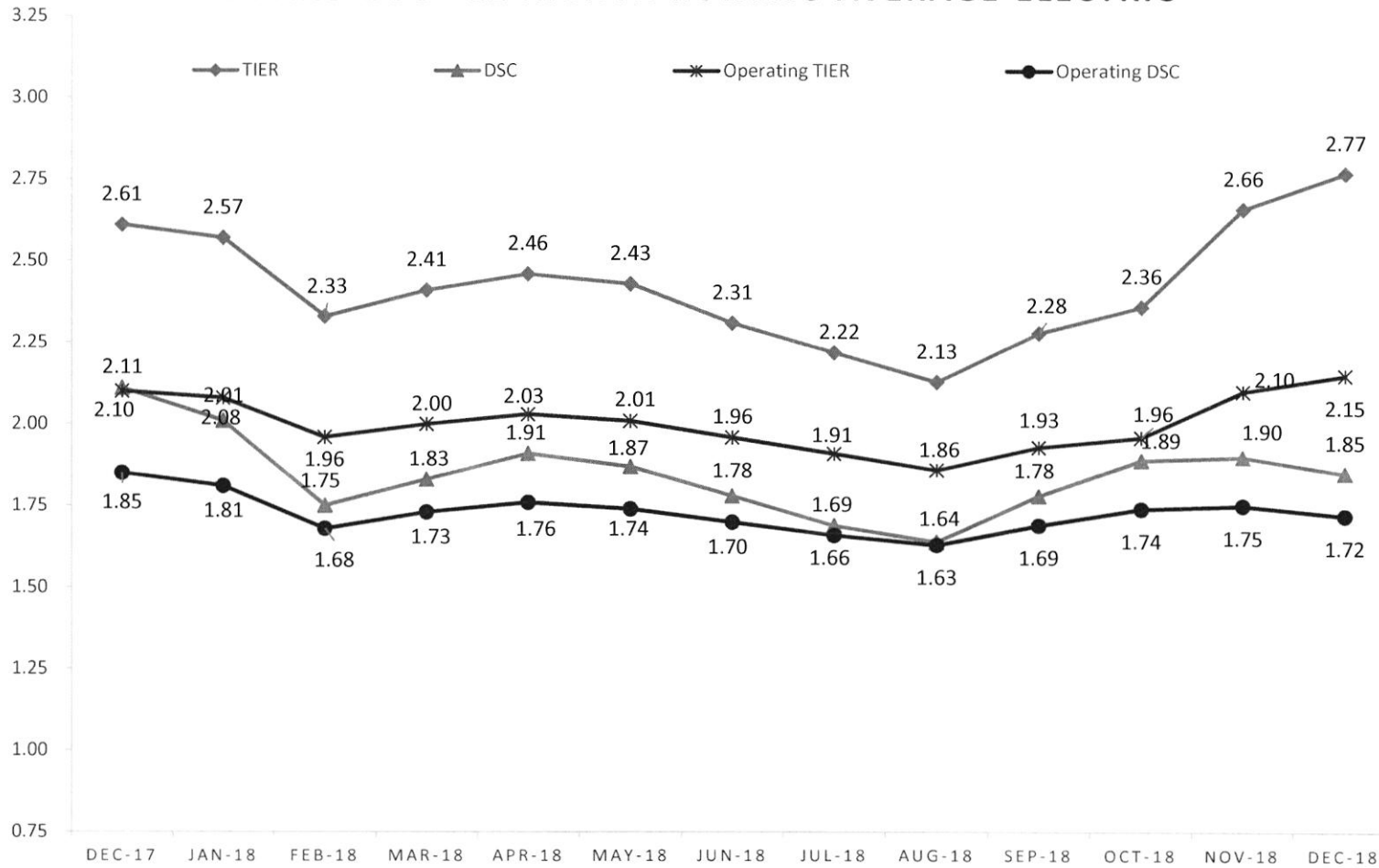
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Financial And Operating Report

ELECTRIC DIVISION INCOME STATEMENT FOR DECEMBER 2018

Item	Year - To - Date			Period - To - Date	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue	35,921,744	37,002,856	35,554,559	3,867,926	3,646,242
2. Power Production Expense	0	0	0	0	0
3. Cost of Purchased Power	14,480,267	14,933,122	15,290,490	1,460,895	1,438,377
4. Transmission Expense	1,760,778	1,827,317	1,576,117	232,767	187,974
5. Regional Market Expense	0	0	0	0	0
6. Distribution Expense - Operation	800,596	1,151,376	1,083,503	144,810	89,727
7. Distribution Expense - Maintenance	1,895,916	2,458,976	2,216,669	465,675	184,716
8. Customer Accounts Expense	1,296,389	1,372,410	1,242,202	121,518	103,504
9. Customer Service and Informational Expense	82,821	88,321	145,609	4,727	12,119
10. Sales Expense	0	0	0	0	0
11. Administrative and General Expense	2,270,419	2,562,559	2,375,083	255,476	195,762
12. Total Operation & Maintenance Expense (2 thru 11)	22,587,186	24,394,081	23,929,673	2,685,868	2,212,179
13. Depreciation & Amortization Expense	5,083,334	5,202,894	4,919,728	436,350	409,981
14. Tax Expense - Property & Gross Receipts	0	0	0	0	0
15. Tax Expense - Other	2,078,854	2,117,796	2,097,711	222,561	216,429
16. Interest on Long-Term Debt	2,950,225	2,856,256	2,856,970	235,866	236,044
17. Interest Charged to Construction - Credit	0	0	0	0	0
18. Interest Expense - Other	0	1,352	0	0	0
19. Other Deductions	182,664	256	0	0	0
20. Total Cost of Electric Service (12 thru 19)	32,882,263	34,572,635	33,804,082	3,580,645	3,074,633
21. Operating Margins (1 minus 20)	3,039,481	2,430,221	1,750,477	287,281	571,609
22. Non Operating Margins - Interest	61,989	132,504	56,784	13,955	4,732
23. Allowance for Funds Used During Construction	0	0	0	0	0
24. Income (Loss) from Equity Investments	0	0	0	0	0
25. Non Operating Margins - Other	1,427,608	2,470,626	801,552	518,950	66,796
26. Generation and Transmission Capital Credits	0	0	0	0	0
27. Other Capital Credits and Patronage Dividends	16,611	17,112	0	0	0
28. Extraordinary Items	0	0	0	0	0
29. Net Electric Utility Margins (21 thru 28)	4,545,689	5,050,463	2,608,813	820,186	643,137
Operating - Margin	3,039,481	2,430,221	1,750,477	287,281	571,609
Non Operating - Margin	1,506,208	2,620,242	858,336	532,905	71,528
Times Interest Earned Ratio - Operating	2.03	1.85	1.61		
Times Interest Earned Ratio - Net	2.54	2.77	1.91		
Times Interest Earned Ratio - Modified	2.54	2.76	1.91		

TIER AND DSC - 12 MONTH ROLLING AVERAGE-ELECTRIC



TIER: $\frac{\text{Net Margins} + \text{Interest on LTD}}{\text{Interest on LTD}}$

DSC: $\frac{\text{Net Margins} + \text{Interest on LTD} + \text{Depreciation}}{\text{Principal \& Interest Payments on LTD}}$

RUS TIER & DSC Requirement = 1.25
 RUS OTIER & ODSC Requirement = 1.1

General Ledger

Unaudited-Subject to Change

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Financial And Operating Report

WATER DIVISION INCOME STATEMENT FOR DECEMBER 2018

Item	Year - To - Date			Period - To - Date	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue	2,253,721	2,472,589	2,228,100	197,913	171,376
2. Power Production Expense	101	757	0	0	0
3. Cost of Wholesale Water and Power	118,175	126,840	123,177	9,832	10,091
4. Transmission Expense	0	0	0	0	0
5. Regional Market Expense	0	0	0	0	0
6. Distribution Expense - Operation	473,524	616,760	604,309	48,346	50,371
7. Distribution Expense - Maintenance	269,219	357,661	290,068	40,064	24,099
8. Customer Accounts Expense	151,067	152,519	176,475	9,474	14,698
9. Customer Service and Informational Expense	60	2,684	29,010	0	2,423
10. Sales Expense	0	0	0	0	0
11. Administrative and General Expense	432,278	523,479	527,361	54,975	37,526
12. Total Operation & Maintenance Expense (2 thru 11)	1,444,424	1,780,700	1,750,400	162,691	139,208
13. Depreciation & Amortization Expense	714,066	710,797	720,419	59,236	60,034
14. Tax Expense - Property & Gross Receipts	0	0	0	0	0
15. Tax Expense - Other	109,548	119,954	118,650	9,215	9,168
16. Interest on Long-Term Debt	234,929	289,115	233,319	23,498	18,407
17. Interest Charged to Construction - Credit	0	0	0	0	0
18. Interest Expense - Other	0	2,500	0	0	0
19. Other Deductions	0	0	0	0	0
20. Total Cost of Water Service (12 thru 19)	2,502,967	2,903,066	2,822,788	254,640	226,817
21. Operating Margins (1 minus 20)	-249,246	-430,477	-594,688	-56,727	-55,441
22. Non Operating Margins - Interest	105,163	156,899	104,328	13,064	8,694
23. Allowance for Funds Used During Construction	0	0	0	0	0
24. Income (Loss) from Equity Investments	0	0	0	0	0
25. Non Operating Margins - Other	176,346	211,988	532,956	49,992	44,413
26. Generation and Transmission Capital Credits	0	0	0	0	0
27. Other Capital Credits and Patronage Dividends	3,402	3,505	0	0	0
28. Extraordinary Items	0	0	0	0	0
29. Net Water Utility Margins (21 thru 28)	35,665	-58,085	42,596	6,329	-2,334
Operating - Margin	-249,246	-430,477	-594,688	-56,727	-55,441
Non Operating - Margin	284,911	372,392	637,284	63,056	53,107

General Ledger

Unaudited-Subject to Change

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Financial And Operating Report

GENERAL FUND DIVISION INCOME STATEMENT FOR DECEMBER 2018

Item	-----Year - To - Date -----			-----Period - To - Date -----	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue	282	0	312	0	26
2. Power Production Expense	0	0	0	0	0
3. Cost of Purchased Power	0	0	0	0	0
4. Transmission Expense	0	0	0	0	0
5. Regional Market Expense	0	0	0	0	0
6. Distribution Expense - Operation	0	0	0	0	0
7. Distribution Expense - Maintenance	0	0	0	0	0
8. Customer Accounts Expense	0	0	0	0	0
9. Customer Service and Informational Expense	0	0	0	0	0
10. Sales Expense	0	0	0	0	0
11. Administrative and General Expense	0	0	187,456	0	11,451
12. Total Operation & Maintenance Expense (2 thru 11)	0	0	187,456	0	11,451
13. Depreciation & Amortization Expense	0	0	0	0	0
14. Tax Expense - Property & Gross Receipts	0	0	0	0	0
15. Tax Expense - Other	0	0	0	0	0
16. Interest on Long-Term Debt	70,335	0	64,068	0	5,089
17. Interest Charged to Construction - Credit	0	0	0	0	0
18. Interest Expense - Other	0	0	0	0	0
19. Other Deductions	0	0	0	0	0
20. Total Cost of General Fund (12 thru 19)	70,335	0	251,524	0	16,540
21. Operating Margins (1 minus 20)	-70,053	0	-251,212	0	-16,514
22. Non Operating Margins - Interest	17,962	0	15,256	0	968
23. Allowance for Funds Used During Construction	0	0	0	0	0
24. Income (Loss) from Equity Investments	0	0	0	0	0
25. Non Operating Margins - Other	536,147	0	574,099	0	5,886
26. Generation and Transmission Capital Credits	0	0	0	0	0
27. Other Capital Credits and Patronage Dividends	0	0	0	0	0
28. Extraordinary Items	0	0	0	0	0
29. Net General Fund Margins (21 thru 28)	484,056	0	338,143	0	-9,660
Operating - Margin	-70,053	0	-251,212	0	-16,514
Non Operating - Margin	554,109	0	589,355	0	6,854

*Unaudited-Subject to Change***Financial And Operating Report****BALANCE SHEET FOR DECEMBER 2018**

	<u>Last Year</u>	<u>This Year</u>	<u>Variance</u>
ASSETS AND OTHER DEBITS			
1. Total Utility Plant in Service	193,334,674	195,085,212	1,750,538
2. Construction Work in Progress	3,287,869	8,048,317	4,760,448
3. Total Utility Plant (1 + 2)	196,622,543	203,133,529	6,510,986
4. Accum. Provision for Depreciation and Amort.	63,346,371	69,056,071	5,709,700
5. Net Utility Plant (3 - 4)	133,276,172	134,077,458	801,286
6. Non-Utility Property (Net)	2,214,820	2,202,421	-12,399
7. Invest. in Subsidiary Companies	0	0	0
8. Invest. in Assoc. Org. - Patronage Capital	0	0	0
9. Invest. in Assoc. Org. - Other - General Funds	22,905	37,337	14,432
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	0	0	0
11. Invest. in Economic Development Projects	0	0	0
12. Other Investments	0	0	0
13. Special Funds	1,522,819	1,567,140	44,321
14. Total Other Property & Investments (6 thru 13)	3,760,544	3,806,898	46,354
15. Cash - General Funds	4,040,493	4,492,595	452,102
16. Cash - Construction Funds - Trustee	0	0	0
17. Special Deposits	0	0	0
18. Temporary Investments	12,360,937	13,136,456	775,519
19. Notes Receivable (Net)	0	0	0
20. Accounts Receivable - Sales of Utility Services (Net)	3,002,653	2,753,325	-249,328
21. Accounts Receivable - Other (Net)	8,102,134	2,555,166	-5,546,968
22. Renewable Energy Credits	0	0	0
23. Material and Supplies - Electric & Other	1,782,840	2,138,999	356,159
24. Prepayments	130,457	95,844	-34,613
25. Other Current and Accrued Assets	2,049,250	2,035,745	-13,505
26. Total Current and Accrued Assets (15 thru 25)	31,468,764	27,208,130	-4,260,634
27. Regulatory Assets	0	0	0
28. Other Deferred Debits	519,264	512,524	-6,740
29. Total Assets and Other Debits (5 + 14 + 26 thru 28)	169,024,744	165,605,010	-3,419,734

Unaudited-Subject to Change

Financial And Operating Report

BALANCE SHEET FOR DECEMBER 2018

	<u>Last Year</u>	<u>This Year</u>	<u>Variance</u>
LIABILITIES AND OTHER CREDITS			
30. Memberships	0	0	0
31. Patronage Capital	0	0	0
32. Operating Margins - Prior Years	0	0	0
33. Operating Margins - Current Year	0	2,592,384	2,592,384
34. Non-Operating Margins	0	2,399,994	2,399,994
35. Other Margins and Equities	39,015,912	39,015,912	0
36. Total Margins & Equities (30 thru 35)	39,015,912	44,008,290	4,992,378
37. Long-Term Debt - RUS (Net)	106,314,364	103,067,254	-3,247,110
38. Long-Term Debt - FFB - RUS Guaranteed	0	0	0
39. Long-Term Debt - Other - RUS Guaranteed	0	0	0
40. Long-Term Debt - Other (Net)	7,504,488	6,944,262	-560,226
41. Long-Term Debt - RUS Econ. Devel. (Net)	0	0	0
42. Payments - Unapplied	0	0	0
43. Total Long-Term Debt (37 thru 41 - 42)	113,818,852	110,011,516	-3,807,336
44. Obligations Under Capital Leases - Noncurrent	0	0	0
45. Accumulated Operating Provisions	2,444,269	2,444,269	0
46. Total Other Noncurrent Liabilities (44 + 45)	2,444,269	2,444,269	0
47. Notes Payable	1,416,706	1,258,831	-157,875
48. Accounts Payable	10,182,847	5,608,986	-4,573,861
49. Consumers Deposits	121,400	132,500	11,100
50. Current Maturities Long-Term Debt	0	0	0
51. Current Maturities Long-Term Debt - Econ. Devel.	0	0	0
52. Current Maturities Capital Leases	0	0	0
53. Other Current and Accrued Liabilities	1,607,980	1,723,840	115,860
54. Total Current & Accrued Liabilities (47 thru 53)	13,328,933	8,724,157	-4,604,776
55. Regulatory Liabilities	0	0	0
56. Other Deferred Credits	416,778	416,778	0
57. Total Liab. & Other Credits (36+43+46+54 thru 56)	169,024,744	165,605,010	-3,419,734
Current Assets To Current Liabilities	2.36	3.12	to 1
Margins and Equities To Total Assets	23.08	26.57	%
Long-Term Debt To Total Utility Plant	57.89	54.16	%

Jefferson County PUD No. 1
STATEMENT OF CASH FLOWS
 December 31, 2018

Unaudited and subject to change

CASH FLOW FROM OPERATING ACTIVITIES:

Operating Revenue	\$4,065,839	
Accounts Receivable - Electric & Water Utility Service (Net)	(689,935)	
Accounts & Notes Receivable - Other (Net)	(667,431)	
CASH RECEIVED FROM CUSTOMERS	\$2,708,473	
Non Operating Margins-Interest	\$27,019	
Non Operating Margins-Other	568,942	
Other Current & Accrued Assets	13,505	
Deferred Debits	(62)	
CASH RECEIVED FROM OTHERS	\$609,404	
CASH RECEIVED FROM OPERATING ACTIVITIES		\$3,317,877
Total Operating & Maintenance Expense	(\$2,848,560)	
Prepayments	3,351	
Accounts Payable	1,287,916	
Material & Supplies/Electric & Other	32,671	
CASH PAID (-) TO SUPPLIERS & EMPLOYEES	(\$1,524,622)	
Tax Expense, Other	(\$231,775)	
Interest Long Term Debt	(259,363)	
Other Current & Accrued Liabilities	(26,483)	
CASH PAID (-) FOR INTEREST, TAXES & OTHER	(\$517,621)	
CASH DISBURSED (-) FOR OPERATING ACTIVITIES		(2,042,243)
NET CASH - OPERATING ACTIVITIES		\$1,275,634

CASH FLOW FROM INVESTING ACTIVITIES:

Investment in Utility and General Plant	(\$1,734,496)	
Special Funds	(2,961)	
NET CASH - INVESTING ACTIVITIES		(\$1,737,457)

CASH FLOW FROM FINANCING ACTIVITIES:

Principal Payment on Long Term Debt	(\$906,495)	
Notes Payable	(\$9,238)	
Consumer Deposits	(4,900)	
CHANGE IN LIABILITIES/DEBT	(920,633)	
NET CASH - FINANCING ACTIVITIES		(\$920,633)

NET INCREASE (DECREASE) IN CASH FOR THE MONTH **(\$1,382,456)**

PRIOR MONTH'S ENDING CASH BALANCE		\$19,011,508
CURRENT MONTH'S ENDING CASH BALANCE:		
Cash - General Funds	\$4,492,595	
Temporary Investments	13,136,457	
TOTAL - CURRENT MONTH'S ENDING CASH BALANCE		\$17,629,052

JEFFERSON COUNTY PUBLIC UTILITY DISTRICT #1
YEAR-TO-DATE STATEMENT OF CASH FLOWS
January - December, 2018

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Unaudited and subject to change

CASH FLOW FROM OPERATING ACTIVITIES:

Operating Revenue	\$39,475,446	
Accounts Receivable - Electric & Water Utility Service (Net)	249,329	
Accounts & Notes Receivable - Other (Net)	5,546,968	
CASH RECEIVED FROM CUSTOMERS	\$45,271,743	
Non Operating Margins-Interest	\$289,403	
Non Operating Margins-Other	2,682,615	
Other Capital Credits	20,617	
Deferred Debits	6,742	
CASH RECEIVED FROM OTHERS	\$3,012,882	
CASH RECEIVED FROM OPERATING ACTIVITIES		\$48,284,625
Total Operating & Maintenance Expense	(\$26,174,781)	
Prepayments	34,613	
Accounts Payable	(4,573,860)	
Material & Supplies/Electric & Other	(356,159)	
CASH PAID (-) TO SUPPLIERS & EMPLOYEES	(\$31,070,187)	
Tax Expense, Other	(\$2,237,750)	
Interest Long Term Debt	(3,145,370)	
Interest Expense, Other	(3,852)	
Other Deductions	(256)	
Other Current & Accrued Liabilities	115,860	
CASH PAID (-) FOR INTEREST, TAXES & OTHER	(\$5,271,368)	
CASH DISBURSED (-) FOR OPERATING ACTIVITIES		(\$36,341,555)
NET CASH - OPERATING ACTIVITIES		\$11,943,070

CASH FLOW FROM INVESTING ACTIVITIES:

Investment in Utility and General Plant	(\$6,702,583)	
Investment in Assoc. Organizations-Patronage Capital	(14,432)	
Special Funds	(44,323)	
NET CASH - INVESTING ACTIVITIES		(\$6,761,338)

CASH FLOW FROM FINANCING ACTIVITIES:

Principal Payments on Long Term Debt	(\$3,807,335)	
Notes Payable	(157,875)	
Consumer Deposits	11,100	
CHANGE IN LIABILITIES / DEBT	(3,954,110)	
NET CASH - FINANCING ACTIVITIES		(\$3,954,110)

NET INCREASE (DECREASE) IN CASH DURING THE PERIOD **\$1,227,622**

PRIOR YEAR'S ENDING CASH BALANCE		\$16,401,430
CURRENT MONTH'S ENDING CASH BALANCE:		
Cash - General Funds	\$4,492,595	
Temporary Investments	13,136,457	
TOTAL - CURRENT MONTH'S ENDING CASH BALANCE	\$17,629,052	

Jefferson County PUD No. 1
SCHEDULE OF CASH, LIQUID INVESTMENTS, AND SPECIAL FUNDS
 December 31, 2018

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<u>Account Description</u>	<u>Current Balance</u>	<u>YTD Interest Income</u>
Operating Account - Jefferson Co. Treasurer	\$3,110,196	\$111,665
Operating Depository Account - Bank of America	1,281,225	0
1996 Bond LUD #8 - Jefferson Co. Treasurer	65,671	1,643
1996 Bond LUD #6 - Jefferson Co. Treasurer	17,157	417
2009 Bond LUD #14 - Jefferson Co. Treasurer	15,277	94,712
Working Funds - Petty Cash and CSR Drawers	2,000	0
2008 Bond LUD #15 - Jefferson Co. Treasurer	786	14,617
Cash Held in Trust by Property Manager	150	0
1999 Bond LUD #11 - Jefferson Co. Treasurer	55	2,026
1997 Bond LUD #13 - Jefferson Co. Treasurer	40	399
Payroll Clearing Account - 1st Security Bank	36	0
DOT Permit #U05-24 Account - Bank of America	0	3
Payroll Clearing Account - Bank of America	0	0
TOTAL LINE 15. BALANCE SHEET-CASH-GENERAL FUNDS	<u>\$4,492,595</u>	<u>\$225,482</u>
Operating Account Related Investment - Jefferson Co. Treasurer	\$5,866,876	\$33
Tax Revenue Fund - Jefferson Co. Treasurer	2,455,982	36,670
LUD #14 Bond Investment - Jefferson Co. Treasurer	2,427,928	0
Tax Revenue Investment Fund - Jefferson Co. Treasurer	1,925,000	0
LUD #15 Bond Investment - Jefferson Co. Treasurer	410,890	0
LUD #11 Bond Investment - Jefferson Co. Treasurer	28,668	0
LUD #13 Bond Investment - Jefferson Co. Treasurer	21,114	0
TOTAL LINE 18. BALANCE SHEET-TEMPORARY INVESTMENTS	<u>\$13,136,457</u>	<u>\$36,702</u>
TOTAL CASH AND LIQUID INVESTMENTS	<u>\$17,629,052</u>	<u>\$262,184</u>
RUS Bond Reserve Investment Fund - Jefferson Co. Treasurer	\$1,110,901	\$0
LUD #11 Water Reserve Investment Fund - Jefferson Co. Treasurer	228,080	0
Tri Area Bond Reserve Investment Fund - Jefferson Co. Treasurer	176,086	0
Other Special Funds	49,100	0
RUS Bond Reserve Fund - Jefferson Co. Treasurer	2,188	20,983
LUD #11 Water Reserve Fund - Jefferson Co. Treasurer	436	4,309
Tri Area Bond Reserve Fund - Jefferson Co. Treasurer	337	3,327
LUD #13 Reserve Fund - Jefferson Co. Treasurer	13	0
TOTAL LINE 13. BALANCE SHEET-RESTRICTED FUNDS	<u>\$1,567,140</u>	<u>\$28,619</u>

Jefferson County PUD No. 1
SCHEDULE OF LONG TERM DEBT and NOTES PAYABLE
December 31, 2018

Description	Note Name/Number	Liability G/L Acct	Interest Rate	Maturity Date	12/31/2017 Principal Balance	Y-T-D Principal Borrowings	Y-T-D Principal Payments	Current Principal Balance	Y-T-D Interest Expense	Y-T-D P&I Payments
RUS/FFB loan for PSE acquisition	H0010	1.224.10	2.728%*	Dec-41	\$105,605,585		(\$3,227,285)	\$102,378,301	\$2,832,311	\$6,059,595
RUS/FFB loan for PSE acquisition	H0015	1.224.10	3.433%*	Dec-41	708,777		(19,825)	688,953	23,945	43,770
LINE 37 BALANCE SHEET-RUS DEBT					\$106,314,363	\$0	(\$3,247,109)	\$103,067,254	\$2,856,256	\$6,103,365
USDA Tri Area	2003 Revenue Bond	2.224.33	4.500%	Apr-43	\$2,482,919		(\$53,627)	\$2,429,292	\$110,733	\$164,762
LUD #14-Marrowstone Island Water System	2009 Revenue Bond	2.224.32	4.15% - 6.75%	Mar-26	1,247,000		(111,000)	1,136,000	70,784	185,905
LUD #14-Marrowstone Island Water System	PW-05-691-025	2.224.14	0.500%	Jul-25	870,451		(108,806)	761,644	4,035	113,159
SRF Loan-Sparling Water Treatment Plant	DM13-952-177	2.224.17	1.000%	Oct-37	759,279		(42,168)	717,111	7,485	49,758
SRF Loan-Treatment Sparling Well/Quimper System	DM10-952-018	2.224.15	1.000%	Oct-44	725,952		0	725,952	5,377	0
SRF Loan-Kala Pt Acquisition, Upgrade, Consolid.	DM12-952-091	2.224.16	1.000%	Oct-36	490,050		(27,225)	462,825	4,832	32,125
LUD #15-Beckett Pt Large On-Site Sewage System	PW-05-691-024	2.224.13	0.500%	Jul-25	406,206		(50,776)	355,430	1,883	52,807
LUD #11-Bywater Way & Shine	1999 Revenue Bond	2.224.31	5.250%	May-19	365,000		(50,000)	315,000	16,460	59,581
Snow Creek Ranch Water System Improvements	PW-00-65120-008	2.224.11	2.500%	Oct-21	33,088		(8,272)	24,816	724	9,099
Kala Point Water Reservoir & Meters	98-78898-021	2.224.18	3.350%	Oct-19	22,102		(11,051)	11,051	648	11,792
Sound View Villa Emergency Loan	PW-99-691-ELP-301	2.224.10	5.000%	Jul-19	10,280		(5,140)	5,140	364	5,654
LUD #15-Beckett Point	2008 Revenue Bond	2.224.34	3.990%	May-25	22,354		(22,354)	0	1,430	23,296
Transfer from City of Port Townsend	PW-02-691-066	2.224.12	1.000%	Jun-18	69,807		(69,807)	0	291	70,505
LINE 40 BALANCE SHEET-OTHER LTD					\$7,504,488	\$0	(\$560,226)	\$6,944,262	\$225,046	\$778,443
Peterson Lake	B. Peterson Family LP	3.224.22	6.000%	Mar-26	\$1,116,706		(\$107,876)	\$1,008,831	\$64,068	\$171,943
Kala Point	Eric Thomas Note	2.224.21	0.000%	Oct-24	300,000		(50,000)	250,000	0	50,000
LINE 47 BALANCE SHEET-NOTES PAYABLE					\$1,416,706	\$0	(\$157,876)	\$1,258,831	\$64,068	\$221,943
TOTAL LONG TERM DEBT AND RELATED EXPENDITURES					\$115,235,557	\$0	(\$3,965,211)	\$111,270,346	\$3,145,370	\$7,103,752
WEIGHTED AVERAGE COST OF DEBT					2.7773%					

*Interest rate includes 1/8% for Section 9 Fee

JEFFERSON COUNTY PUBLIC UTILITY DISTRICT #1
Financial Analysis and Ratios
December 31, 2018

	2017	2018
Times Interest Earned Ratio (TIER) - Electric - YTD:		
<u>Net Margins + Interest on Long Term Debt</u>	2.61	2.77
Interest on Long Term Debt		
<p>Measures the PUD's ability to repay interest on long-term debt for the electric division. Minimum is 1.25 for the year but strive for higher. *_*_*_*_*_*</p>		
Operating Times Interest Earned Ratio (OTIER) - Electric - YTD:		
<u>Operating Margins + Interest on Long Term Debt</u>	2.11	1.85
Interest on Long Term Debt		
<p>Measures the PUD's ability to repay interest on long-term debt for the electric division. Minimum is 1.10 for the year. *_*_*_*_*_*</p>		
Debt Service Coverage (DSC) - Electric - YTD:		
<u>Net Margins + Interest on Long Term Debt + Depreciation/Amortization</u>	2.10	2.15
Total Long-Term Debt Service Billed		
<p>Measures the PUD's ability to generate sufficient funds from net margins to cover the annual debt service payments on the electric division. Minimum is 1.25 for the year. *_*_*_*_*_*</p>		
Operating Debt Service Coverage (ODSC) - Electric - YTD:		
<u>Operating Margins + Interest on Long Term Debt + Depreciation/Amortization</u>	1.85	1.72
Total Long-Term Debt Service Billed		
<p>Measures the PUD's ability to generate sufficient funds from operating margins to cover the annual debt service payments on the electric division. Minimum is 1.10 for the year. *_*_*_*_*_*</p>		
Quick Ratio:		
<u>Cash and Accounts Receivable</u>	1.60	2.55
Current Liabilities		
<p>Reveals the protection afforded short-term creditors by the most liquid current assets. The larger the ratio (and it should be above 1.0), the greater the liquidity. *_*_*_*_*_*</p>		
90 Days of Cash for Operations		
<u>Current Year Budget's Annual Expenses X 90</u>		
365		
<p>Per Financial Policy, required to keep a minimum of 90 days of cash available based on planned year's budgeted expenses.</p>		
	\$8,850,089	\$9,093,303
Excess / (Deficit) in Non-Restricted Funds Above 125% of Minimum	\$2,573,069	\$3,357,665
<p align="center">*_*_*_*_*_*</p>		

JEFFERSON COUNTY PUBLIC UTILITY DISTRICT #1
Financial Analysis and Ratios
December 31, 2018

2017 **2018**

Average Accounts Receivable Collection Period:

365
Accounts Receivable Turnover

23 21

Expresses the effectiveness of collections in days. Represents the number of days it takes for customers to pay their bill after it has been sent out.

*_*_*_*_*_*

Accounts Payable to Average Daily Purchases:

Average Accounts Payable
Average Daily Purchases

37 32

Indicates the number of days required to pay creditors.

*_*_*_*_*_*

Days in Inventory

365
Inventory Turnover

608 553

Indicates the average number of days that units are kept in inventory before being used.

**Jefferson County PUD No. 1
Comparative Sales - Electric Division**

December 31, 2018

CUSTOMER/REVENUE DATA

	YEAR-TO-DATE			MONTHLY						
	AVERAGE # LAST YEAR	AVERAGE # THIS YEAR	REVENUE LAST YEAR	REVENUE THIS YEAR	REVENUE BUDGET	NUMBER LAST YEAR	NUMBER THIS YEAR	REVENUE LAST YEAR	REVENUE THIS YEAR	REVENUE BUDGET
1. RESIDENTIAL	17,081	17,293	\$23,201,706	\$23,283,538	\$23,002,390	17,202	17,381	\$2,542,432	\$2,522,837	\$2,404,848
2. RESIDENTIAL SEASONAL	0	0	0	0	0	0	0	0	0	0
3. IRRIGATION	1	1	3,563	2,991	3,540	0	1	0	30	18
4. SM. COMMERCIAL	2,223	2,265	7,008,637	7,243,884	6,844,605	2,247	2,282	647,223	674,205	606,015
5. LG. COMMERCIAL	18	20	5,539,544	6,001,278	5,251,463	18	21	503,329	515,337	610,049
6. STREET LIGHTING	212	210	172,797	199,739	193,755	214	200	14,983	17,076	15,421
7. PUBLIC AUTHORITIES	0	0	0	0	0	0	0	0	0	0
8. TOTAL SALES	19,535	19,789	\$35,926,247	\$36,731,430	\$35,295,753	19,681	19,885	\$3,707,967	\$3,729,485	\$3,636,351
9. OTHER REVENUE			(4,502)	271,426	258,806			(99,976)	138,442	9,887
TOTAL (8+9)			\$35,921,745	\$37,002,856	\$35,554,559			\$3,607,991	\$3,867,927	\$3,646,238

PURCHASES/SALES DATA

PURCHASES

- 1. RESIDENTIAL
- 2. RESIDENTIAL SEASONAL
- 3. IRRIGATION
- 4. SMALL COMMERCIAL
- 5. LARGE COMMERCIAL
- 6. STREET LIGHTING
- 7. PUBLIC AUTHORITIES
- 8. TOTAL SALES
- 9. OFFICE USE
- 10. UNACCOUNTED
- 11. PERCENT LOSS
- 11A. % LOSS w/o PAPER MILL
- 12. COINCIDENT DEMAND (kW)
- 13. MONTH OF MAXIMUM kW

	YEAR-TO-DATE kWh				MONTHLY kWh			
	LAST YEAR	THIS YEAR	BUDGET	CURRENT VS BUDGET	LAST YEAR	THIS YEAR	BUDGET	CURRENT VS BUDGET
	397,192,850	387,596,227	385,454,509	0.56%	46,089,639	43,412,286	46,168,357	-5.97%
1. RESIDENTIAL	214,121,366	206,718,581	213,594,107	-3.22%	23,689,144	22,403,895	22,267,114	0.61%
2. RESIDENTIAL SEASONAL	0	0	0	0.00%	0	0	0	0.00%
3. IRRIGATION	48,991	38,760	44,252	-12.41%	0	0	225	-100.00%
4. SMALL COMMERCIAL	68,652,867	66,663,813	67,038,246	-0.56%	6,388,632	6,151,667	5,935,504	3.64%
5. LARGE COMMERCIAL	99,921,282	100,292,385	92,130,930	8.86%	8,758,430	8,476,093	10,702,614	-20.80%
6. STREET LIGHTING	546,849	503,037	645,849	-22.11%	55,847	57,808	51,403	12.46%
7. PUBLIC AUTHORITIES	0	0	0	0.00%	0	0	0	0.00%
8. TOTAL SALES	383,291,355	374,216,576	373,453,384	0.20%	38,892,053	37,089,463	38,956,860	-4.79%
9. OFFICE USE	0	0	0	0.00%	0	0	0	0.00%
10. UNACCOUNTED	13,901,495	13,379,651	12,001,125	11.49%	7,197,586	6,322,823	7,211,497	-12.32%
11. PERCENT LOSS	3.50%	3.45%	3.11%	10.93%	15.62%	14.56%	15.62%	
11A. % LOSS w/o PAPER MILL	4.28%	4.25%			18.10%	16.92%		
12. COINCIDENT DEMAND (kW)	102,920	95,563			90,211	92,424		
13. MONTH OF MAXIMUM kW	January	February						

REVENUE PER kWh DATA

- 1. RESIDENTIAL
- 2. RESIDENTIAL SEASONAL
- 3. IRRIGATION
- 4. SMALL COMMERCIAL
- 5. LARGE COMMERCIAL
- 6. STREET LIGHTING
- 7. PUBLIC AUTHORITIES
- 8. OVERALL

	YEAR-TO-DATE REVENUE - CENTS PER kWh				MONTHLY REVENUE - CENTS PER kWh			
	LAST YEAR	THIS YEAR	BUDGET	CURRENT VS BUDGET	LAST YEAR	THIS YEAR	BUDGET	CURRENT VS BUDGET
1. RESIDENTIAL	10.84	11.26	10.77	4.59%	10.73	11.26	10.80	4.27%
2. RESIDENTIAL SEASONAL	0.00	0.00	0.00	0.00%	0.00	0.00	0.00	0.00%
3. IRRIGATION	7.27	7.72	8.00	-3.54%	0.00	0.00	8.00	-100.00%
4. SMALL COMMERCIAL	10.21	10.87	10.21	6.43%	10.13	10.96	10.21	7.34%
5. LARGE COMMERCIAL	5.54	5.98	5.70	4.98%	5.75	6.08	5.70	6.66%
6. STREET LIGHTING	31.60	39.71	30.00	32.36%	26.83	29.54	30.00	-1.54%
7. PUBLIC AUTHORITIES	0.00	0.00	0.00	0.00%	0.00	0.00	0.00	0.00%
8. OVERALL	9.37	9.82	9.45	3.86%	9.53	10.06	9.33	7.72%

Jefferson County PUD #1
2018 Capital Budget
Through December 31, 2018

Page 16

	<u>2018 Budget</u>	<u>Capitalized</u>	<u>Not Yet Capitalized</u>	<u>Remaining Budget</u>
Electric Utility Work Plan	\$4,272,500	\$1,231,037	\$2,396,144	\$645,319
Water Utility Work Plan	460,000	0	151,287	308,713
Communication Bldg @ 4C	50,000	0		50,000
Substation building @ 4C	25,000	0		25,000
Substation Yard Upgrade and Fencing @ 4C	40,000	0		40,000
Shelving and Bins @ 4C	20,000	0		20,000
SCADA network	60,000	0		60,000
SCADA software	35,000	0		35,000
Forklift	92,000	0		92,000
Jefferson County Public Works Franchise	0	1,284		-1,284
Four Corners Facilities Upgrade	0	33,228	166,941	-200,169
Warehouse Yard Improvements	45,000	1,296		43,705
IT Equipment	45,000	38,049		6,951
Electric Utility Fleet	355,000	76,881		278,119
Water Utility Fleet	80,000	43,369		36,631
Electric Utility Tools	56,389	62,871		-6,483
Water Utility Tools	0	0		0
Electric Utility Personal Protection Equipment	80,000	17,061		62,939
Water Utility Personal Protection Equipment	0	0		0
Total Capital Budget Expenditures	<u>\$5,715,889</u>	<u>\$1,505,076</u>	<u>\$2,714,372</u>	<u>\$1,496,440</u>



AGENDA REPORT

DATE: February 5, 2019
TO: Board of Commissioners
FROM: Kevin Streett, Assistant Manager
RE: COLA for non-represented employees

SUMMARY: RCW 54.16.100 requires that the General Manager recommend to the Commission compensation for employees. The PUD desires to attract and retain qualified employees to fill authorized positions of the PUD. A 3% COLA for the non-represented was approved in the 2019 budget.

FISCAL IMPACT: Budgeted for 2019

RECOMMENDATION: After discussion from the Board, staff would like to proceed with allowing the Assistant Manager to administer the COLA increase for non-represented employees to become effective February 19, 2019. Resolution for this is attached.

Attachment: Resolution 2019-07

**PUBLIC UTILITY DISTRICT NO.1
OF
JEFFERSON COUNTY**

RESOLUTION NO. 2019-07

A RESOLUTION of the Board of Commissioners of Public Utility District No. 1 of Jefferson County, Washington ("the PUD"), establishing a wage increase for Non-Represented Employees.

WHEREAS, RCW 54.16.100 requires that the Acting General Manager recommend to the Commission compensation for employees; and

WHEREAS, RCW 54.12.090 authorizes the Commission to fix salaries; and

WHEREAS, the Acting General Manager has recommended Non-Represented employees receive a 3.0% salary increase for 2019; and

WHEREAS, the PUD desires to attract and retain qualified employees to fill authorized positions of the PUD; and

WHEREAS, the Commission approves the annual budget, which includes staff allocation and funding to meet the operational requirements of the PUD; and

WHEREAS, the Commission authorizes the Acting General Manager to administer merit pay increases, employee promotions, demotions, transfers, equity and market adjustments and other administrative actions.

WHEREAS, the initial proposal regarding Non-Represented Employee wage increase for 2019 was presented to the Board of Commissioners on January 15, 2019.

RESOLVED, RESOLUTION 2019-07 be revised to include the adjusted rates of pay and that this resolution becomes effective retroactively on February 4, 2019:

1. That the Acting General Manager is hereby authorized, on behalf of the PUD to administer pay increases, for employees of the PUD not represented under the Collective Bargaining Agreements.
2. That the Acting General Manager shall include within the annual budget sufficient funds to support merit pay requirements for the year.

ADOPTED by the Commission of Public Utility District No. 1 of Jefferson County, Washington, at a regular open meeting held this 5th day of February, 2019.

Jeff Randall, President

Dan Toepper, Vice President

Kenneth Collins, Secretary



AGENDA REPORT

DATE: February 5, 2019
TO: Board of Commissioners
FROM: Kevin Streett, Acting General Manager
RE: MOU - IBEW

SUMMARY: Attached are two MOU clarifications of the existing IBEW contract. The first one to clarify rest time, and the second to clarify call out time. Both were discussed with the IBEW union, dated and signed.

Attachment: Copy of MOU IBEW report.

MEMORANDUM OF UNDERSTANDING

BY AND BETWEEN
JEFFERSON COUNTY PUD
AND INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS LOCAL 77

The parties have met and agree to the following language related to the "rest period" referenced in Article 7.2.3.

Employees are entitled to eight (8) consecutive hours of rest time, **up to 8 hours will be paid at his/her regular rate. Provided: four (4) hours of which are paid at his regular hourly rate, and four (4) hours of which are the employee's PTO or comp time or a combination thereof, in the following situations:**


- a) **When The employee is on overtime duty four (4) or more hours in the 10 hours immediately preceding the start of the regularly scheduled shift. after midnight, or**
- b) **The employee has worked four (4) or more hours that end less than 10 hours prior to the start of the next regularly scheduled shift. When on overtime duty four (4) or more consecutive hours which run past midnight.**

~~Employees are entitled to four (4) consecutive hours of rest time, paid at his regularly hourly rate, in the following situation:~~

- a) ~~When an employee is on overtime before his regular working hours and has worked eight (8) consecutive hours.~~

~~An employee eligible for four (4) hours of rest time will be allowed, upon request, up to eight (8) hours of rest, the additional hours **required to fill the regularly scheduled shift** of which are the **may be drawn from the** employee's PTO or comp time or a combination thereof.~~

Agreed to by:



Kevin Streett
Interim General Manager
Jefferson County PUD #1

1-22-19
Date




~~John Cunningham~~ **Jonathan Finch**
Business Representative
IBEW Local 77

7.2. OVERTIME-CALL OUT

7.2.1 Employees shall be allowed overtime at the rate of double time for all time worked other than the regular shift. Overtime shall begin when employees are called for work and end ½ hour after released from duty. Employees, with authorization from their supervisor, earn compensatory time at the double time rate for any overtime hours worked. The calendar year will be used for the tracking, accrual and use of compensatory time. Employees will be allowed to carry over a maximum of 20 hours on January 1st. All additional hours not used shall be cashed out at the end of the year. Compensatory time may be scheduled by mutual agreement of the employee and supervisor; however, employees may use compensatory time at any time to cover any unpaid hours of the rest period in 7.2.3. Maximum annual accrual of compensatory time shall not exceed one hundred (100) hours in any calendar year.

Agreed to by:



Kevin Streett
Interim General Manager
Jefferson County PUD #1

1-22-19

Date



John Cunningham **Jonathan Finch**
Business Representative
IBEW Local 77

4/17/19



AGENDA REPORT

DATE: February 5, 2019

TO: Board of Commissioners

FROM: Kevin Streett, Acting General Manager

RE: Resolution 2019-06 Larry Dunbar Separation Agreement

SUMMARY: Attached is 2019-06, Separation Agreement for Larry Dunbar to be signed.

PUBLIC UTILITY DISTRICT NO. 1
OF
JEFFERSON COUNTY

RESOLUTION NO. 2019-06

A RESOLUTION of the Board of Commissioners of the Public Utility District No 1 of Jefferson County, Washington (“the PUD”), for the separation agreement with Jefferson County PUD, and appointment of acting General Manager,

WHEREAS, the General Manager of Public Utility District of Jefferson County was hired as an “at-will” employee of the PUD, whose contract was entered into March 20, 2018; and

WHEREAS, the General Manager has agreed to the terms of a proposed Separation Agreement, introduced at the January 15, 2019 regular meeting of the Board of Commissioners;

WHEREAS, the Board of Commissioners (the “Board”) of the PUD have reviewed and considered the Separation Agreement with the General Manager and agree that its terms and conditions are reasonable;

WHEREAS, the General Manager may be removed "at will" by approval of a Board Resolution pursuant to RCW 54.16.100, and

WHEREAS, pursuant to RCW 54.16.100, this resolution was introduced at the regular Board meeting January 15, 2019 for possible adoption at a subsequent regular Board meeting; and

WHEREAS, pursuant to RCW 54.16.100, the Board may appoint a General Manager, whose appointment shall be subsequently approved after introduction at a regular meeting of the Board.

NOW, THEREFORE, BE IT RESOLVED that, pursuant to RCW 54.16.100, (1) the Board of the PUD hereby directs that the General Manager be removed as General Manager no later than February 5, 2019, the next regularly scheduled meeting of the Board of Commissioners, subject to full execution of any Separation Agreement between the parties; (2) it is further resolved that pursuant to RCW 54.16.100, the Board of Commissioners shall appoint its current Assistant General Manager Kevin Streett as the Acting General Manager of the PUD until the Board of Commissioners completes the selection process for a permanent General Manager; and (3) it is further resolved the terms and conditions of the Acting General Manager’s employment shall be \$160,000, the same as those introduced at the regular meeting of the PUD on January 2, 2019, consistent with the PUD’s Offer of Employment for Assistant General Manager.

ADOPTED this 5th day of February 2019 at the regular Board of Commission meeting.

Jeff Randall, President

Dan Toepper, Vice President

ATTEST:

Ken Collins, Secretary



AGENDA REPORT

DATE: February 5, 2019
TO: Board of Commissioners
FROM: Annette Johnson, Executive Assistant/Records Officer
RE: Calendar of Events for February 2019

February 5, 2019	<u>BOC Regular Meeting</u> ; 5:00 pm, Transit Center
February 7, 2019	<u>Special Meeting/Executive Session</u> 10:00 am Four Corners
February 11, 2019	<u>CAB Meeting</u> , 2:00 pm Transit Board Room
February 13, 14,15	WPUDA Conferences, Olympia
February 18, 2019	President's Day Observed, Holiday
February 19, 2019	<u>BOC Regular Meeting</u> , 5:00 pm Transit Board Room



AGENDA REPORT

DATE: February 5, 2019
TO: Board of Commissioners
THRU: Kevin Street, Acting General Manager
FROM: Jean Hall, Customer Service Manager
RE: Assistance for Federal Employees Furloughed or Working Without Pay

SUMMARY:

The PUD does not currently have a policy in place to offer extended payment arrangements or payment deferment for consumers effected by government closures, or other *emergent, extreme extenuating circumstance* which are outside of the normal course of business. This policy should apply only to large scale job/income loss and not to individuals who have lost income due to conventional job loss or inability to earn income.

BACKGROUND:

The most recent partial government shutdown resulted in federal employees being furloughed or, if essential staff, forced to work without pay. These consumers have missed two paychecks in the time since the shut down, and it may take some time for them to receive their back pay, if any. Some of these consumers may become at risk of late fees, and disconnect for non-payment.

FISCAL IMPACT:

Undetermined loss of revenue from fees and delayed collection of revenue.

RECOMMENDATION:

Staff recommends adding language to current policy to allow for payment deferment, extended payment arrangements, shut off protection, forgiveness of late fees, and reconnect fees if an effected consumer has already been disconnected. In addition to reconnect fee forgiveness, these consumers should be reconnected upon payment arrangement rather than payment in full.

The period of time allowed for deferment and extended payment arrangements should be at the discretion of the Manager or his/her designee.



AGENDA REPORT

DATE: February 5, 2019
TO: Board of Commissioners
FROM: Kevin Streett, Acting General Manager
RE: Non-union employee salary survey

SUMMARY: Staff has signed a contract with NW Management Consulting to conduct a salary survey for all non-union positions.

BACKGROUND: The 2018 budget included money to conduct a salary and compensation survey for PUD staff. The Board of Commissioners also requested that then General Manager Jim Parker create a compensation plan for non-represented staff salary increases.

Six different prospective consultants were contacted for the project. Four responded and provided preliminary proposals. Based on work history and industry and geographic familiarity, Ross Ardrey of NW Management Consulting was chosen as the consultant.

ANALYSIS/FINDINGS: Mr. Ardrey met with each commissioner individually on January 25th to explain the survey process. The survey will now be reviewed and brought back in a later meeting or meetings to decide how to proceed with the process.

FISCAL IMPACT: Funds are budgeted, but additional funds to complete

RECOMMENDATION: **Informational only, no action required.**

ATTACHMENT: Amendment #2 to the original agreement with NW Consulting.

2018 JPUD NON-REP COMPENSATION STUDY

Ross J. Ardrey, NW Management Consulting, 2720 Hoyt Ave. #11, Everett, WA 98201 - Email: ross.ardrey@gmail.com

Debbie Lund, HR Manager, JPUD, 310 Four Corners, Port Townsend, WA 98368 - Email: dlund@jeffpud.org

PROGRESS REPORT 10/22/2018 Scope: Peninsula & Pacific PUDS Non-Rep Salaries, Benefits, Practices Focus on Positions Not Individual Pay

BOARD MEMBER BRIEFINGS Based on 10/22 Progress Report January 25, 2019 COMMISSION MEET 2/5/2019
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INTRODUCTION

This report is designed to enhance JPUD's understanding of Non-Rep compensation at Peninsula & Pacific PUDs. The study is JPUD's first since it took over electric service in 2013. It's also the first salary survey at JPUD in anyone's memory. Jobs and salary data are as of June 30, 2018, include 16 positions with inputs from WAPUDA and Milliman. The report recognizes JPUD is in transition and that positions wear many hats. Survey findings focuses on salaries, benefits and practices and are intended to be a framework for discussions.

Public Utility Districts

Participants

Survey Status

• Kitsap PUD-Poulsbo	Jason Nutsford, AGM; Rita Dady, HR Mgr	Completed
• Clallam PUD-Sequim	Jamie Spence, HR Mgr; PUD Mgt Team	Completed
• Mason PUD 1-Shelton	Kristin Masteller, GM	Completed
• Mason PUD 3-Shelton	Michelle Burleson, GM; Thedre Flink, HR	Completed
• Grays Harbor PUD-Aberdeen	Dave Ward, GM; Angela Roberts, HR	Completed
• Pacific PUD-Raymond	Jason Dunsmoor, GM	Completed
• JPUD-Port Townsend	Larry Dunbar, GM; Debbie Lund, HR Mgr	Completed

HIGHLIGHTS OF PRELIMINARY SURVEY FINDINGS

Comparisons focus on general salary levels, position comparisons, salary structures and benefits. Survey findings are generally considered reliable to within $\pm 5\%$. This means there is no measurable difference for comparisons within $\pm 5\%$. Also important: Most of the positions have at least 3 matches. The average is 5.

Survey comparisons reflect actual distributions and are based on upper quartiles for PUD's with salary ranges. JPUD comparisons are based on salary range maximums. Preliminary findings are shown in this table:

- JPUD's Non-Rep average salary maximum lags the other PUDs and surveys by -2%
- There are nine (9) positions whose maximums are within $\pm 10\%$ of the survey average
- There are five (5) positions whose maximums lag the average by more than -10%
- There are two (2) positions whose maximums exceed the average by more than 10%
- Comparisons for the local PUDs and WAPUDA and Milliman surveys show little difference (-3%).

Benefit comparisons show JPUD is very close to the other PUDs for paid leave, health and other insurances and retirement programs. There are variations in additions to benefits for matters like contributions for deferred compensation and VEBA. JPUD and the other PUDs provide retirement medical, dental and vision coverage.

REPORT FORMAT

The report begins with participant, salary structure and economic comparisons. Survey job match and salary comparisons, with WAPUDA and Milliman inputs, are shown on pages 5 to 9. Benefit summaries are on page 10. Supervisory and Non-Rep salary differentials and alignment comparisons are shown on pages 11 and 12. A summary section with suggested next steps is shown on pages 13 and 14.

The report focuses on findings and observations to provide a framework for discussions and next steps. Salary comparisons are shown as hourly figures rather than monthly or annual figures to focus on compensation. Averages are shown rather than medians to facilitate communications. A table of contents follows this page.

JPUD COMPENSATION SURVEY

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JPUD COMPENSATION SURVEY**SURVEY PARTICIPANT COMPARISONS WITH WAPUDA AND MILLIMAN SURVEYS****PUDs Listed in Proximity to JPUD on Left, Comparisons for Electric, Water, FTE and Revenues on Right**

PUD (JPUD Proximity)	Electrical Ops		Water Ops		PUD Staff	Op Revs
	E Conncts	E Miles OH	W Conncts	W Miles PL	FTE	Total-MM
JPUD-Port Townsend	18,515	743	4,860	190	48	38
Kitsap PUD- Poulsbo			15,589	312	34	10
Clallam PUD- Sequim	31,115	1,923	4,448	143	138	58
Mason PUD 1- Shelton	5,276	400	1,984	82	26	9
Mason PUD 3- Shelton	33,345	1,813			126	61
Grays Harbor PUD- Aberdeen	42,017	1,824			164	105
Pacific PUD- Raymond	17,257	790	303	8	56	24
AVERAGE (W/O JPUD)	25,802	1,350	5,581	136	91	45

WAPUDA AND MILLIMAN SURVEYS

<u>Publication</u>	<u>Publisher</u>	<u>Scope and Participants</u>	<u>Update to</u>
GM and Management Salary Survey 2018	WAPUDA	WA PUDs: 26	April, 2018
2016 Northwest Utilities Salary & Wage Survey	Milliman	WA/OR/ID/AK: 81	June, 2018

SALARY STRUCTURE COMPARISONS

PUDs in Proximity to JPUD on Left with Salary Program Comparisons Shown in Middle and Survey Status on Right
Comparisons Show Prevailing Practice Is to Administer Non-Rep Salaries with Ranges of about 40% (Min-Max/Min)
Pacific PUD's Steps and Ranges May Better Fit JPUD's Positions, Housing, Living Costs and Labor Market

PUD (JPUD Proximity)	SALARY PROGRAM NON-REP COMPARISONS	SALARY STEPS	SALARY RANGE	SURVEY STATUS
JPUD-Port Townsend	Program in review	To be determined	About 40%	Completed
Kitsap PUD- Poulsbo	Non-Rep: Performance; Survey: Local PUDs, WAPUDA...	No formal steps	50%	Completed
Clallam PUD- Sequim	Non-Rep: Performance; Surveys: Local PUDs, Benton, Lewis...	No formal steps	41%	Completed
Mason PUD 1- Shelton	Non-Rep: Performance; Surveys based on Milliman Utilities	No formal steps	45% to 35%	Completed
Mason PUD 3- Shelton	Non-Rep: Performance; Surveys market not identified	No formal steps	30%	Completed
Grays Harbor PUD- Aberdeen	Non-Rep: Performance; Surveys market not identified	No formal steps	60% to 65%	Completed
Pacific PUD- Raymond	Non-Rep: Program based on steps; Surveys: Local PUDs plus Lewis	Steps: 12 at 2.5%	31%	Completed
AVERAGE (W/O JPUD)	Non-Rep: Performance: 5; Steps: 1; Surveys: Most incl locals with adds	No steps: 5 of 6	43%	Completed

SURVEY PARTICIPANT COMPARISONS - ECONOMIC DATA

Narrative: PUDs Listed on Left, Economic Data Home Pricing, Meals and Lodging Per Diem on Right
Home Price Data Is for Counties Based on Washington Center for Real Estate Research (WCRER) at WSU
Home Shows County Average Sale Price - - "% Avg" Shows Average as a Percent of Combined Average
Meal and Lodging Are Based on Washington State and US Reimbursement Rates in effect as of June, 2018

Findings: JPUD Top or Tied for Top for Housing Prices, Meals and Lodging - - Top Comparisons in Bold
Variances Range from 41% over Average for Housing Prices to 28% for Meals and 17% for Lodging
Extent of Variances Confirm JPUD Concerns Over Challenges JPUD Faces in Labor and Housing Markets

PUD (JPUD Proximity)	Home Pricing		Meal Per Diem		Lodging Per Diem	
	Avg	%	Daily Rate	%	Daily Rate	%
JPUD-Port Townsend	357	51%	74	28%	116	17%
Kitsap PUD- Poulsbo	320	36%	51	-12%	93	-6%
Clallam PUD- Sequim	276	17%	74	28%	116	17%
Mason PUD 1- Shelton	224	-5%	51	-12%	93	-6%
Mason PUD 3- Shelton	224	-5%	51	-12%	93	-6%
Grays Harbor PUD- Aberdeen	188	-20%	69	19%	106	7%
Pacific PUD- Raymond	181	-23%	51	-12%	93	-6%
AVERAGE (W/O JPUD)	236	± 0%	58	± 0%	99	± 0%

JPUD SURVEY JOB AND SALARY COMPARISONS - DEPARTMENT ORDER

Narrative: Positions on Left by Dept - PUDs in Middle with WAPUDA and Milliman - Summary and JPUD on Right

Survey Data Review In Progress: Comparisons Show Preliminary Findings - Data as of June 30, 2018

Salary Surveys Considered Reliable to Within ± 5 %, i.e., No Measurable Difference for Surveys Within ± 5%

Variance Formula "JPUD - Survey ÷ JPUD" - Variance: Neg "-" JPUD Lags Avg; No Sign: JPUD Same/Exceeds

Findings: Non-Rep Salary Level Survey Comparisons Show JPUD Lags Other PUDs and Utilities by about -2%

Highlights: JPUD Lags by More than -10%: Green; JPUD Exceeds by More than 10%: Red; JPUD within ± 10%: Black

Position Comparisons: JPUD Lags < -10%: Green (5); JPUD Exceeds <10%: Red (2); JPUD Within ± 10% Black (9)

POSITIONS Dept Order	KPUD		MASON 1		MASON 3		CLALLAM		PACIFIC		GRS HBR		WAPUDA		MILLMN		SUMMARY		JPUD	
	Job	Md/Up	Job	Rate	Job	Md/Up	Job	Md/Up	Job	Top	Job	Md/Up	Job	Upr	Job	Avg	Jobs	Avg	Top	Var %
<u>Electrical</u>																				
Elect Ops Supt/ AGM			Dir Ops	57.42	OM/ EM	75.20	OM/E M/GS	70.64	Chf E&O	84.93	Ops Mgr	76.00	Line Spt	70.06	Asst GM	93.49	7	75.39	71.16	-6%
Sr Electrical Engineer					Eng Mgr	50.45	Sr EE	52.91			Eng Mgr	67.86			ES Eng	61.88	4	58.28	64.69	10%
Special Prjs Coordinator											CC Spt	62.88			TT Supt	53.46	2	58.17	46.58	-25%
Staking Engineer			EE Tec	35.50	Eng Dsg	39.84	PS Dsg	33.27	Dist Eng	65.21	CS Eng	46.20			Prj Crd	44.95	6	44.16	36.23	-22%
Operations Assistant					OC Crd	50.45								Ops Asst	33.06	2	41.76	32.35	-29%	
<u>Water</u>																				
Water Supt/ Engineer													W/W Mgr	52.41	Dir Wtr	76.21	2	64.31	71.16	10%
<u>Finance</u>																				
Chief Financial Officer					Fin Mgr	75.20	FM Trs	70.43	Fin Mgr	65.21	CFO	76.00			CFO	75.10	5	72.39	77.63	7%
Financial Svcs Manager	Act 2	34.29	Act	42.60	Act Spr	50.45	Fin Anl	40.25			Adt/ Cntr	53.03	Chf Act	44.35	Sr Act	42.15	7	43.87	46.58	6%
<u>IT + Adm</u>																				
Information Tech Manager	Tlc Supt	48.47			DBS/ NC	65.48	IT Mgr	64.02	IT Mgr	65.21	CS Dir	76.00	IT Mgr	68.08	Mgr IT	54.47	7	63.10	64.69	2%
GIS Specialist					GIS/ ST II	45.14	GIS Ad	40.25							GIS Spr	53.25	3	46.21	64.69	29%
IT Support Technician	IT ST	33.00			IS ST	32.92	Dsk Tec	27.50	IT Asst	58.19					PC Tec	28.04	5	35.93	46.58	23%
Customer Srv Manager					CS Mgr	55.50	CS Spr	40.25	CS Mgr	65.21	CS Mgr	62.88	CS Mgr	67.11	Spr CS	45.14	6	56.01	41.40	-35%
Exec Assist/ Pub Rec Ofc	Ex Asst	33.00			AS Mgr	42.29	Ex Asst	33.27	AS/ Trs	58.19	CA/C B/RA	35.51			Ex Asst	37.80	6	40.01	36.23	-10%
Resource Manager	WR SM	54.28	CS Spc	26.53	Cns Mgr	55.50	US Crd	36.60			PS ESC	35.51			CP Mgr	54.11	6	43.75	46.58	6%
HR Manager/ Safety Ofc			Dir BS	53.62	DBS/ SHR	53.24	HR Mgr	58.21			HR Dir	59.73	HR Dir	68.27	HR Dir	62.80	6	59.31	58.23	-2%
Communicatns Manager			Dir BS	53.62			Cm Mgr	48.11			CGR/ ASC	49.64	Cm Dir	64.23	CR Crd	37.78	5	50.68	32.35	-57%
SUMMARY AND AVERAGES (VARIANCE: JPUD-SURVEY/JPUD)																	5	53.33	52.32	-2%

JPUD SURVEY JOB AND SALARY COMPARISONS - SURVEY ORDER

Narrative: Positions in Survey Order - PUDs in Middle With WAPUDA Milliman - Summary and JPUD on Right

Survey Data Review In Progress: Comparisons Show Preliminary Findings as of June 30, 2018

Salary Surveys Considered Reliable to Within ± 5 %, i.e., No Measurable Difference for Surveys Within ± 5%

Variance Formula "JPUD - Survey ÷ JPUD" - Variance: Neg "-" JPUD Lags Avg; No Sign: JPUD Same/Exceeds

Findings: Position Comparisons Show Variances Spread through JPUD from Upper to Middle and Lower Levels

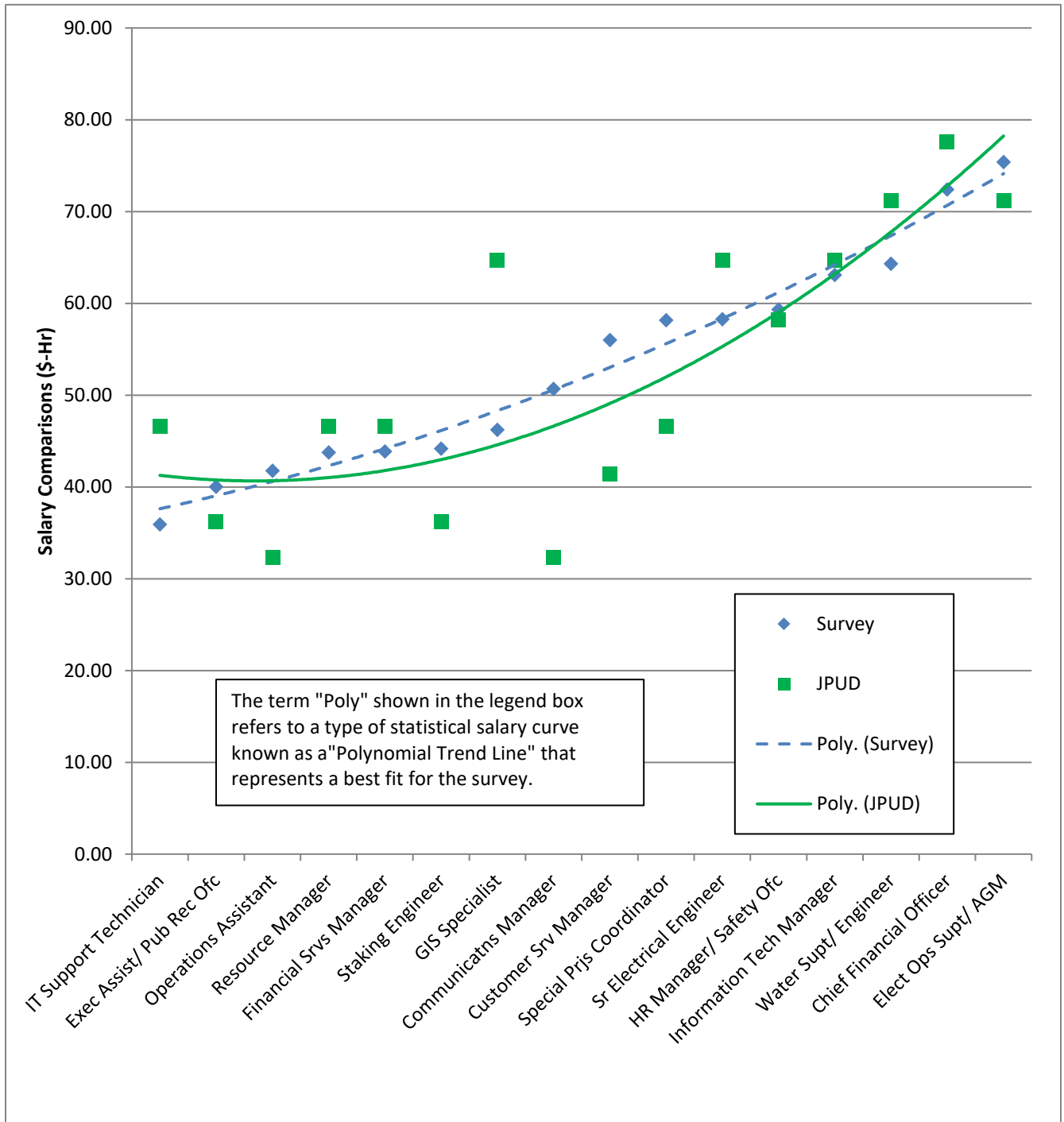
Highlights: JPUD Lags by More than -10%: Green; JPUD Exceeds by More than 10%: Red; JPUD within ± 10%: Black

Position Comparisons: JPUD Lags < -10%: Green (5); JPUD Exceeds <10%: Red (2); JPUD Within ± 10% Black (9)

POSITIONS Survey Order	KPUD		MASON 1		MASON 3		CLALLAM		PACIFIC		GRS HBR		WAPUDA		MILLMN		SUMMARY		JPUD	
	Job	Md/Up	Job	Rate	Job	Md/Up	Job	Md/Up	Job	Top	Job	Md/Up	Job	Upr	Job	Avg	Jobs	Avg	Top	Var %
Elect Ops Supt/ AGM			Dir Ops	57.42	OM/ EM	75.20	OM/E M/GS	70.64	Chf E&O	84.93	Ops Mgr	76.00	Line Spt	70.06	Asst GM	93.49	7	75.39	71.16	-6%
Chief Fin Officer					Fin Mgr	75.20	FM Trs	70.43	Fin Mgr	65.21	CFO	76.00			CFO	75.10	5	72.39	77.63	7%
Water Supt/ Engineer													W/W Mgr	52.41	Dir Wtr	76.21	2	64.31	71.16	10%
Information Tech Manager	Tlc Supt	48.47			DBS/ NC	65.48	IT Mgr	64.02	IT Mgr	65.21	CS Dir	76.00	IT Mgr	68.08	Mgr IT	54.47	7	63.10	64.69	2%
HR Manager/ Safety Ofc			Dir BS	53.62	DBS/ SHR	53.24	HR Mgr	58.21			HR Dir	59.73	HR Dir	68.27	HR Dir	62.80	6	59.31	58.23	-2%
Sr Electrical Engineer					Eng Mgr	50.45	Sr EE	52.91			ES Mgr	67.86			ES Eng	61.88	4	58.28	64.69	10%
Special Prjs Coordinator											CC Spt	62.88			TT Supt	53.46	2	58.17	46.58	-25%
Customer Srv Manager					CS Mgr	55.50	CS Spr	40.25	CS Mgr	65.21	CS Mgr	62.88	CS Mgr	67.11	Spr CS	45.14	6	56.01	41.40	-35%
Communicatns Manager			Dir BS	53.62			Cm Mgr	48.11			CGR/ ASC	49.64	Cm Dir	64.23	CR Crd	37.78	5	50.68	32.35	-57%
GIS Specialist					GIS/ ST II	45.14	GIS Ad	40.25							GIS Spr	53.25	3	46.21	64.69	29%
Staking Engineer			EE Tec	35.50	Eng Dsg	39.84	PS Dsg	33.27	Dist Eng	65.21	CS Eng	46.20			Prj Crd	44.95	6	44.16	36.23	-22%
Financial Srvs Manager	Act 2	34.29	Act	42.60	Act Spr	50.45	Fin Anl	40.25			Adt/ Cntr	53.03	Chf Act	44.35	Sr Act	42.15	7	43.87	46.58	6%
Resource Manager	WR SM	54.28	CS Spe	26.53	Cns Mgr	55.50	US Crd	36.60			PS ESC	35.51			CP Mgr	54.11	6	43.75	46.58	6%
Operations Assistant					OC Crd	50.45									Ops Asst	33.06	2	41.76	32.35	-29%
Exec Assist/ Pub Rec Ofc	Ex Asst	33.00			AS Mgr	42.29	Ex Asst	33.27	AS/ Trs	58.19	CA/ CB/ RA	35.51			Ex Asst	37.80	6	40.01	36.23	-10%
IT Support Technician	IT ST	33.00			IS ST	32.92	Dsk Tec	27.50	IT Asst	58.19					PC Tec	28.04	5	35.93	46.58	23%
SUMMARY AND AVERAGES (VARIANCE: JPUD-SURVEY/JPUD)																	5	53.33	52.32	-2%

PUD SURVEY AND JPUD SALARY TREND LINE COMPARISONS

Chart Shows Hourly Comparisons on Vertical Axis with Positions in Survey Order on Horizontal Axis

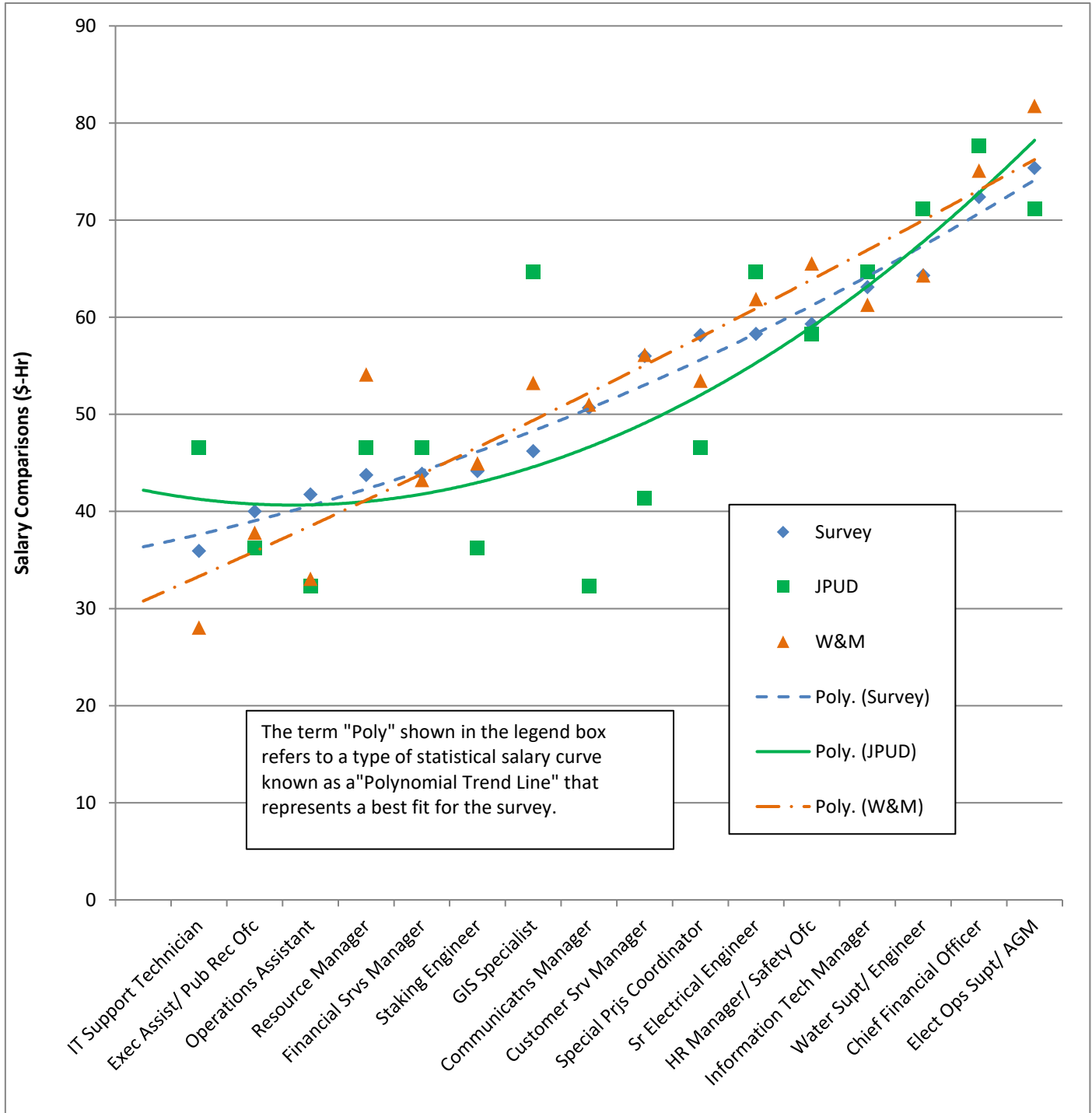


SURVEY, WAPUDA MILLIMAN AND JPUD SALARY TREND LINES COMPARISONS

Chart Shows Hourly Comparisons on Vertical Axis with Positions in Survey Order on Horizontal Axis

WAPUDA Trend Line Based on 7 Comparisons Combined with Milliman with 16 Comparisons

Survey and WAPUDA Milliman Trend Lines Show Little Variance Between Survey and Outlying Labor Markets



JPUD SURVEY JOB AND SALARY COMPARISONS - VARIANCE ORDER

Narrative: Positions in Variance Order - PUDs in Middle With WAPUDA Milliman - Summary and JPUD on Right Survey Data Review In Progress: Comparisons Show Preliminary Findings as of June 30, 2018

Salary Surveys Considered Reliable to Within ± 5 %, i.e., No Measurable Difference for Surveys Within ± 5% Variance Formula "JPUD - Survey ÷ JPUD" - Variance: Neg "-" JPUD Lags Avg; No Sign: JPUD Same/Exceeds

Findings: Position Comparisons Show Most Positions (9 of 16) within ± 10 %; Outliers: 7

Highlights: JPUD Lags by More than -10%: Green; JPUD Exceeds by More than 10%: Red; JPUD within ± 10%: Black Position Comparisons: JPUD Lags <-10%: Green (5); JPUD Exceeds <10%: Red (2); JPUD Within ± 10% Black (9)

JPUD POSITION	KPUD		MASON 1		MASON 3		CLALLAM		PACIFIC		GRS HBR		WAPUDA		MILLMN		SUMMARY		JPUD	
	Job	Md/Up	Job	Rate	Job	Md/Up	Job	Md/Up	Job	Top	Job	Md/Up	Job	Upr	Job	Avg	Jobs	Avg	Top	Var %
Communicatns Manager			Dir BS	53.62			Cm Mgr	48.11			CGR/ASC	49.64	Cm Dir	64.23	CR Crd	37.78	5	50.68	32.35	-57%
Customer Srv Manager					CS Mgr	55.50	CS Spr	40.25	CS Mgr	65.21	CS Mgr	62.88	CS Mgr	67.11	Spr CS	45.14	6	56.01	41.40	-35%
Operations Assistant					OC Crd	50.45									Ops Asst	33.06	2	41.76	32.35	-29%
Special Prjs Coordinator											CC Spt	62.88			TT Supt	53.46	2	58.17	46.58	-25%
Staking Engineer			EE Tec	35.50	Eng Dsg	39.84	PS Dsg	33.27	Dist Eng	65.21	CS Eng	46.20			Prj Crd	44.95	6	44.16	36.23	-22%
Exec Assist/ Pub Rec Ofc	Ex Asst	33.00			AS Mgr	42.29	Ex Asst	33.27	AS/ Trs	58.19	CA/ CB/ RA	35.51			Ex Asst	37.80	6	40.01	36.23	-10%
Elect Ops Supt/ AGM			Dir Ops	57.42	OM/ EM	75.20	OM/E M/GS	70.64	Chf E&O	84.93	Ops Mgr	76.00	Line Spt	70.06	Asst GM	93.49	7	75.39	71.16	-6%
HR Manager/ Safety Ofc			Dir BS	53.62	DBS/ SHR	53.24	HR Mgr	58.21			HR Dir	59.73	HR Dir	68.27	HR Dir	62.80	6	59.31	58.23	-2%
Information Tech Manager	Tlc Supt	48.47			DBS/ NC	65.48	IT Mgr	64.02	IT Mgr	65.21	CS Dir	76.00	IT Mgr	68.08	Mgr IT	54.47	7	63.10	64.69	2%
Financial Svcs Manager	Act 2	34.29	Act	42.60	Act Spr	50.45	Fin Anl	40.25			Adt/ Cntr	53.03	Chf Act	44.35	Sr Act	42.15	7	43.87	46.58	6%
Resource Manager	WR SM	54.28	CS Spc	26.53	Cns Mgr	55.50	US Crd	36.60			PS ESC	35.51			CP Mgr	54.11	6	43.75	46.58	6%
Chief Fin Officer					Fin Mgr	75.20	FM Trs	70.43	Fin Mgr	65.21	CFO	76.00			CFO	75.10	5	72.39	77.63	7%
Water Supt/ Engineer													W/W Mgr	52.41	Dir Wtr	76.21	2	64.31	71.16	10%
Sr Electrical Engineer					Eng Mgr	50.45	Sr EE	52.91			ES Mgr	67.86			ES Eng	61.88	4	58.28	64.69	10%
IT Support Technician	IT ST	33.00			IS ST	32.92	Dsk Tec	27.50	IT Asst	58.19					PC Tec	28.04	5	35.93	46.58	23%
GIS Specialist					GIS/ ST II	45.14	GIS Ad	40.25							Dir Spr	53.25	3	46.21	64.69	29%
SUMMARY AND AVERAGES (VARIANCE: JPUD-SURVEY/JPUD)																	5	53.33	52.32	-2%

JPUD NON-REP COMPENSATION SURVEY - BENEFIT COMPARISONS

Narrative: Purpose of this Table Is To Show a Summary of Non-Represented Employee Benefit Program Comparisons Programs in First Column -- PUD Comparisons in Middle W/O WAPUDA and Milliman -- Summary and JPUD on Right

Benefit Data Review In Progress: Blank Space Indicates Incomplete Data and Not Lack of Program

Program Averages in Summary Based on Number of Agency Comparisons Currently Available

BENEFIT PROGRAM	KPUD	MASON 1	MASON 3	CLALLAM	PACIFIC	GRS HBR	SUMMARY	JPUD
	Program	Program	Program	Program	Program	Program	W/O JPUD	Program
<u>Paid Leave /Yr</u>								
PTO or Standard	PTO	PTO	PTO	PTO	PTO	PTO	PTO: 6 of 6	PTO
<u>Insurance</u>								
Med Contrib (Emplyr)								
- Employee	100%	100%	93.7%		95.5%		Average: 97%	100%
- Dependents	100%	100%	93.7%		95.5%		Average: 97%	100%
D/V Contrib (Emplyr)	100%	100%	100%				Average: 100%	100%
<u>Life Insurance</u>								
Emplyr Contrib	100%	100%	100%	100%		100%	Average: 100%	100%
<u>Retirement</u>								
PERS or Other	PERS	PERS	PERS	PERS	PERS	PERS	PERS: 6 of 6	PERS
<u>Additions to Benefits</u>								
AD&D Insurance				100%				
Deferred Comp Cntrib (Emplyr)		1.5%	2.5%	0	0		Average: 1%	3%
VEBA Cntrib (Emplyr)	No	1.6%	No	Yes	1.5%	Yes	VEBA: 4 of 6	Yes
Retirement MDV (Emplyr)	Yes	Yes	Yes		Yes	Yes	Retrm: 5 of 5	Yes
Lngtvy/20 Yr-\$ (Emplyr)	Yes	No	No			No	Lngtvy: 1 of 4	No
LTD Contrib (Emplyr)	Yes		Yes	Yes	No	Yes	LTD: 4 of 5	Yes

SURVEY AND JPUD SUPERVISORY DIFFERENTIALS AND PROGRESSIONS

Purpose of Table Is to Show Differentials for Survey and JPUD Supt, Dept Head and Non-Rep Positions

Department Head Comparisons Are Based on the Superintendent with Dept Staff Positions as a Percent of Each Dept Head

Supervisory and Non-Rep Differentials Are Based on Supervisor and Non-Rep Salaries as a Percent of Dept Head Salary

Example: Sr Elect Engr Survey at \$58.28, Supt at \$75.39 So Supervisory Differential Is 77% (\$58.26 ÷ \$75.39 = 77%)

JPUD POSITION	SURVEY AND JPUD DEPT COMPARISONS				SURVEY AND JPUD COMPARISONS				
	Survey Avg	Srv % (Srv/Dir)	JPUD Max	JPUD % (JPUD/Dir)	JPUD POSITION	Srv % Avg Supt	JPUD % Max Supt		
<u>Electrical</u>					<u>Survey Order</u>				
Elect Ops Supt/ AGM	75.39	100%	71.16	100%	Elect Ops Supt/ AGM	75.39	100%	71.16	100%
Sr Electrical Engineer	58.28	77%	64.69	91%	Chief Financial Officer	72.39	96%	77.63	109%
Special Prjs Coordinator	58.17	77%	46.58	65%	Water Supt/ Engineer	64.31	85%	71.16	100%
Staking Engineer	44.16	59%	36.23	51%	Information Tech Manager	63.10	84%	64.69	91%
Operations Assistant	41.76	55%	32.35	45%	HR Manager/ Safety Ofc	59.31	79%	58.23	82%
<u>Water</u>					Sr Electrical Engineer	58.28	77%	64.69	91%
Water Supt/ Engineer	64.31	100%	71.16	100%	Special Prjs Coordinator	58.17	77%	46.58	65%
<u>Finance</u>					Customer Srv Manager	56.01	74%	41.40	58%
Chief Financial Officer	72.39	100%	77.63	100%	Communicatns Manager	50.68	67%	32.35	45%
Financial Svcs Manager	43.87	61%	46.58	60%	GIS Specialist	46.21	61%	64.69	91%
<u>IT</u>					Staking Engineer	44.16	59%	36.23	51%
Information Tech Manager	63.10	100%	64.69	100%	Financial Svcs Manager	43.87	58%	46.58	65%
GIS Specialist	46.21	73%	64.69	100%	Resource Manager	43.75	58%	46.58	65%
IT Support Technician	35.93	69%	46.58	72%	Operations Assistant	41.76	55%	32.35	45%
<u>Departments without Non-Rep Staff</u>					Exec Assist/ Pub Rec Ofc	40.01	53%	36.23	51%
HR Manager/ Safety Ofc	59.31	77%	58.23	82%	IT Support Technician	35.93	48%	46.58	65%
Customer Srv Manager	56.01	73%	41.40	58%					
Communicatns Manager	50.68	66%	32.35	45%					
Resource Manager	43.75	57%	46.58	65%					
Exec Assist/ Pub Rec Ofc	40.01	52%	36.23	51%					

NON-REP DIFFERENTIALS AND PROGRESSIONS WITH REP COMPARISONS

Purpose of Chart Is to Show Supervisory and Non-Rep Differentials Based on Survey Comparisons

Dept Head Comparisons Are Based on the Superintendent with Dept Staff Positions as a Percent of Each Dept Head

Example: Sr Elect Engr Survey at \$58.28, Supt at \$75.39 So Supervisory Differential Is 77% (\$58.26 ÷ \$75.39 = 77%)

Departments with Non-Rep Staff

Depts W/O Non-Rep Staff

Differential Comparisons	Elct OS/ AGM	IT Manager	Chief Fin Ofc	Water Eng Supt	HR Manager
Survey (\$-Hr):	75.39	63.10	72.39	69.03	59.31
Supervisor Diff:	100%	84%	96%	92%	79%
Survey (\$-Hr):	58.28	46.21	43.87	56.01	56.01
Differential:	77%	73%	61%	74%	74%
Survey (\$-Hr):	44.16	35.93		50.68	50.68
Differential:	84%	57%		67%	67%
Survey (\$-Hr):	58.17			43.75	43.75
Differential:	77%			58%	58%
Survey (\$-Hr):	41.76			40.01	40.01
Differential:	55%			53%	53%

IBEW AND LABORER CONTRACT TOP STEP DIFFERENTIALS

Differential Comparisons	Line Forman	UA II Crew Ld	TPO III Crew Ld	UB Coord
Contract (\$-Hr):	52.20	28.47	38.28	29.50
Supt/Dept Head	75.39	72.39	69.03	56.01
Differential:	69%	37%	54%	53%

SUMMARY AND NEXT STEPS

CONSIDERATIONS REGARDING SALARY STRUCTURES

The study is based on a survey of five Peninsula PUDs plus Pacific PUD in Raymond. All of the PUD compensation programs seek to guide day-to-day salary administration, and, ultimately, enhance PUD services. They all also seek to enhance each PUD's ability to attract, develop and retain its staff. This outline summarizes comparisons on PUD operations, local economic conditions and compensation programs.

PUD Operations

PUDs provide electric and/or water services. The number of electric connections vary from a high of 42,017 at Grays Harbor to a low of 5,276 at Mason 1 and none at Kitsap. The average is at 25,802. JPUD is at 18,515 and is in the middle. Water connections are from a high of 15,589 at Kitsap to a low of 303 at Pacific with none at Mason 3 and Grays Harbor. The average is at 5,581 with JPUD in the middle at 4,860.

For staffing and operating revenues: PUD staffing varies from a high of 164 at Grays Harbor to a low of 26 at Mason 1 with the average at 91. JPUD with 48 is in the middle. Operating revenues vary from a high of \$104-million at Grays Harbor to a low of \$9-million at Mason 1. The average is \$45-million with JPUD at \$38-million which is in the middle.

Local Economic Conditions

Home prices vary with Jefferson County the highest at \$357,000, Pacific County the lowest at \$181,000 and the average at \$236,000. Jefferson County is 51% above the average. Jefferson County is also at the top or tied at the top for meals and lodging.

- Economic conditions add to the challenges JPUD faces to recruit, develop and retain its staff.
- Economic conditions may enhance the advantages of salary step systems for JPUD.
- Salary step systems typically have ranges of about 25% compared with performance system of 40%.
- Salary step system ranges of 25% have entry levels about 7% above those of performance systems.

Highlights of PUD Compensation Programs:

Peninsula PUD salary structures are all based on labor market surveys. All of the PUDs define their labor market with a focus on other Peninsula PUDs and most also consider WAPUDA and/or Milliman surveys to provide supplementary information.

- Comparisons for the local PUDs and the WAPUDA and Milliman surveys show little difference (-3%).
- WAPUDA comparisons include Eastern Washington; Milliman also include other West Coast PUDs.
- PUD and WAPUDA Milliman comparisons are consistent from the lower to the upper salary levels.

The prevailing practice is to administer salary based on performance with an average range of about 40%. The policy for Pacific PUD is to administer salaries based on service with a range of about 30%. JPUD's practice is being reviewed as part of this study.

Benefit comparisons show JPUD is very close to the other PUDs for paid leave, health and other insurances and retirement programs. There are variations in additions to benefits for matters like contributions for deferred compensation and VEBA. JPUD and the other PUDs provide retirement medical, dental and vision coverage.

JPUD AND SURVEY COMPARISONS WITH VARIANCES

Variance percents show how much JPUD lags or exceeds the other agencies. The percent variance formula is “JPUD - Survey ÷ JPUD” so a negative indicates JPUD lags the other agencies and a positive indicates JPUD is the same or exceeds the others. Survey findings are considered reliable to within ± 5 %. This means there is no measurable difference for comparisons within ± 5%.

Overall averages, without JPUD, show JPUD lags the other agencies by -2%. Position variance comparisons greater than -10% are highlighted in the following table with green; variances greater than 10% are highlighted in red. Positions variances within ± 10% are shown in black. Highlights: Positions that exceed 10%: 2; Positions that lag by more than -10%: 5; Positions that are within ± 10% : 9.

	<u>JOB</u> <u>MATCHES</u>	<u>SURVEY</u> <u>AVERAGE</u>	<u>JPUD</u> <u>MAX</u>	<u>VARIANCE</u> <u>(J-SRV/J)</u>
<u>Electrical</u>				
Elect Ops Supt/ AGM	7	75.39	71.16	-6%
Sr Electrical Engineer	4	58.28	64.69	10%
Special Prjs Coordinator	2	58.17	46.58	-25%
Staking Engineer	6	44.16	36.23	-22%
Operations Assistant	2	41.76	32.35	-29%
<u>Water</u>				
Water Supt/ Engineer	2	64.31	71.16	10%
<u>Finance</u>				
Chief Financial Officer	5	72.39	77.63	7%
Financial Svcs Manager	7	43.87	46.58	6%
<u>Information Tech</u>				
Information Tech Manager	7	63.10	64.69	2%
GIS Specialist	3	46.21	64.69	29%
IT Support Technician	5	35.93	46.58	23%
<u>Other Departments</u>				
HR Manager/ Safety Ofc	6	59.31	58.23	-2%
Customer Srv Manager	6	56.01	41.40	-35%
Communications Manager	5	50.68	32.35	-57%
Resource Manager	6	43.75	46.58	6%
Exec Assist/ Pub Rec Ofc	6	40.01	36.23	-10%
SURVEY AVERAGES	5	53.33	52.32	-2%

SUGGESTED NEXT STEPS

This report focuses on findings and observations. It is designed to expand JPUD's understanding of current labor market and compensation practices. The primary challenge now is how to reflect JPUD's continuing transitions and relate these findings to JPUD's short and longer range goals.

JPUD will need to determine the level of compensation considering JPUD's resources and the survey findings. The key question is should JPUD seek to be the same as, or exceed, or be less than the others. Also important are any modifications to the existing structure to facilitate day-to-day salary administration.

Salary plans should consider the newness of JPUD, that positions are evolving and the need to be sensitive to economic conditions. End results should enhance competitiveness, customer services and sustainability.

AMENDMENT 2 TO THE AGREEMENT
BETWEEN
PUBLIC UTILITY NO. 1 OF JEFFERSON COUNTY
AND
NW MANAGEMENT CONSULTING, LLC

THIS SECOND AMENDMENT TO THE March 27, 2018 AGREEMENT WITH NW MANAGEMENT CONSULTING, LLC is made and entered into this 28th day of January, 2019, by and between PUBLIC UTILITY DISTRICT NO. 1 OF JEFFERSON COUNTY (hereinafter called the "District") and NW MANAGEMENT CONSULTING, LLC.

WHEREAS, the DISTRICT entered into an AGREEMENT with NW MANAGEMENT CONSULTING, LLC on March 27th, 2018 (the AGREEMENT) and;

WHEREAS, the DISTRICT entered into the 1st amendment to extend time to complete the survey on October 25, 2018 and;

WHEREAS, the DISTRICT desires more time to evaluate processes;

NOW, THEREFORE, in consideration of the above representations, the parties hereto agree as follows:

The term of the contract shall be extended from January 31, 2019 to June 1, 2019 and to add \$10,000 (Ten-thousand dollars) as additional compensation to finish the evaluation process.

In WITNESS WHEREOF, the parties hereto have executed AMENDMENT 2 to the AGREEMENT as of the date and year written above.

NW MANAGEMENT CONSULTING, LLC

PUBLIC UTILITY DISTRICT NO. 1 OF JEFFERSON COUNTY



Ross J. Ardrey, President
2720 Hoyt Ave. #11
Everett, WA 98201

DATE 1-28-19



Kevin Streett, Acting General Manager
310 Four Corners Road
Port Townsend, WA 98368

DATE 1-28-19



AGENDA REPORT

DATE: February 5, 2019
TO: PUD Board of Commissioners
THRU: Kevin Streett, Acting General Manager
FROM: Bill Graham, Interim Water Operations Supervisor
RE: Professional Services Agreement for Forester

SUMMARY: Staff seeks authorization to negotiate a professional services agreement with American Forest Management (AFM) to administer the sale of 13 acres of timber at the **PUD's Peterson Lake property** in 2019.

BACKGROUND: The PUD purchased the 243 acre Peterson Lake property in 2006 initially for the purpose of protecting a possible future water source at its headwaters. The statutory warrant deed from the purchase states **that the grantee (PUD) "may selectively harvest or sell the timber on the land, but may not clear-cut the timber on the land."** **In 2010, the PUD commissioned a** Peterson Lake timber management plan for the purpose of developing short and long-term sustainable timber management goals and objectives including the periodic harvesting of timber. The intent of the agreement is to have AFM administer the sale of the timber within Stands 64 and 19, the first stands proposed for harvest in the timber management plan (2010 – 2014 harvest period). The PUD advertised a request for qualifications in September 2018 and selected AFM.

ANALYSIS/FINDINGS: The 2019 PUD budget forecast of \$100,000 in revenue from the Period 1 timber sale is probably too optimistic based on current timber market valuations and the limited size of the timber sale.

FISCAL IMPACT: The financial impact of the project will be a net positive in revenue: the gross revenue generated from the timber sale late in 2019 minus the cost of the timberland services (not to exceed 26,000\$). Actual revenue will depend on the market at the time of sale, expected to be sometime in the 3rd quarter. The timber management plan forecasted the revenue from the timber sale of Stands 63 and 19 to be \$115,700 (2010 dollars)

RECOMMENDATION: Authorize Acting General Manager Kevin Streett to negotiate, finalize and sign agreement with American Forest Management for timberland and timber sale management services.

Attachment: American Forest Management Professional Service Agreement - DRAFT

**AMERICAN FOREST MANAGEMENT
TIMBERLAND SERVICES AGREEMENT**

District: KIRK

Agreement Number: KIRK-TSA-Jefferson County PUD

THIS AGREEMENT entered into the 24th day of January, 2019 by and between **AMERICAN FOREST MANAGEMENT, INC.** with an office at 11415 NE 128th St. Suite 110 Kirkland, WA 98034 (hereinafter referred to as "AFM") and **Jefferson County PUD** whose address is 310 Four Corners Road, Port Townsend, WA 98368 (hereinafter referred to as "Client").

AFM agrees to provide timberland services to Client as shown on the attached Exhibit "A" which is hereby incorporated into this Agreement by reference.

Property Location: Timberland services as agreed upon by AFM and Client will be performed on the following described property:

State: WA County: Jefferson Section(s): 6 Township: 28N Range: 01 West

Location of property is also shown on the attached map marked as "Exhibit B". Approximate Acreage: 13

Additional Description of Property: Stand 63 as described in Jefferson County Peterson Lake Forest Management Plan

Whether by legal description or by map (Exhibit B), the parcel of land which is the subject of this Agreement will herein be referred to as the "Property".

Access: Client hereby grants to AFM, its agent and employees the right to ingress and egress upon and to the Property for the purpose of performing the agreed upon services as outlined in Exhibit "A".

Compensation and Payment: Client agrees to timely pay AFM for services performed in accordance with the schedule of payment outlined on the attached Exhibit "A".

Insurance Coverage: AFM shall, while performing services on the Client's property, maintain in effect worker's compensation insurance in the statutory amounts as required by the Worker's Compensation Law in the state or states in which AFM is obligated to provide worker's compensation benefits; General liability insurance with maximum limits of liability of not less than \$1,000,000 per occurrence or \$2,000,000 General Aggregate; and motor vehicle liability insurance with minimum liability limits of \$1,000,000 Combined Single Limit (Bodily Injury and/or Property Damage combined).

Independent Contractor: It is understood and agreed that AFM and its employees are independent contractors and not employees of the Client, and each party to this Agreement agrees to take action consistent with the foregoing. Nothing in this agreement shall be construed to create a partnership, joint venture or other association among the parties.

Duties of AFM: AFM agrees to perform its services in accordance with published Best Management Practices (BMPs) as outlined in the state in which the services are being performed. AFM shall also comply with all applicable federal, state and local laws or regulations.

Choice of Law; Severability: This Agreement shall be governed by, and construed in accordance with the laws of Washington State (but not including the choice of law rules thereof). If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. The parties further agree that if any provision contained herein is, to any extent, held invalid or unenforceable in any respect under the laws governing this Agreement, they shall take any actions necessary to render the remaining provisions of this Agreement valid and enforceable to the fullest extent permitted by law.

Assignment – Successors in Interest: Neither party hereto shall have the right to assign any part of this Agreement without the prior written consent of the other party. All agreements, rights and privileges addressed herein which are binding upon or applicable to either party hereto shall also be binding upon and applicable to the heirs, successors and legal representatives of the respective parties.

Errors and Omissions: In performing the services herein agreed, AFM shall exercise a standard of care consistent with accepted forestry practices in effect in the area where the Property is located. AFM and Client understand and agree that volumes and estimates of timberland resources are customarily based on statistical samples and often require the independent judgment of the person making the estimate or projection. As such estimates and projections are subject to sampling precision and statistical error, and because they are subject to natural variations and environmental conditions that may cause actual volumes and values to vary from those estimated or projected, AFM shall not guarantee the accuracy of such estimates, projections or values. Maps and descriptions of Property, including acres, provided to AFM by Client will be assumed correct.

AFM Duties and Limitations as Escrow Agent for Client: Client agrees that AFM is acting as representative and agent for Client. AFM will act as escrow agent for Client with regard to revenues received from logging activities conducted on the Property. All such revenues will be directed to an escrow account at a bank agreed between AFM and Client, which shall be insured only by the FDIC and any additional insurance potentially carried by Client. The legal title to all proceeds from the Services received in the Escrow Account shall be held by AFM as escrow agent until dispersed as agreed with Client; however, all beneficial interest in said proceeds shall be deemed to be held by Client until dispersed.

The duties and responsibilities of AFM as escrow agent shall be limited to those expressly stated in this Agreement.

AFM shall not be liable or responsible for any action taken or omitted to be taken by it under this Agreement in good faith and in the exercise of reasonable care. AFM shall be fully protected in relying upon any written notice, demand, certificate or document that AFM in good faith believes to be genuine, sufficient and properly presented. AFM shall not be responsible for the sufficiency, validity or genuineness of or title to any document deposited or to be deposited with it under this Agreement, or of any endorsement on any such document or any assignment of any such document. AFM shall not be responsible or liable in any respect on account of the identity, authority or rights of the persons executing or delivering or purporting to execute or deliver this Agreement or any such document or any endorsement. AFM shall be entitled to rely on the advice of counsel selected by it and paid from funds held hereunder prior to any application thereof. In performing any of its duties hereunder, AFM shall incur no liability to anyone for any damages, losses or expenses except for its willful default or negligence and shall not incur any such liability with respect to:

- i. any action taken or omitted in good faith or upon advice of its counsel with respect to any questions relating to the duties or responsibilities of the Escrow Agent under this Agreement; or
- ii. any action taken or omitted in reliance upon any instrument, including the written advice as provided for herein, not only as to its due execution and the validity and effectiveness of the provisions, but also as to the truth and accuracy of any information contained therein, which AFM shall in good faith believe to be genuine, to have been signed or presented by a proper person or persons, and to conform with the provisions of this Agreement.
- iii. In the event of a dispute between any of the parties hereto and sufficient in the discretion of AFM to justify it doing so, AFM shall be entitled to tender into the registry or custody of any court of competent jurisdiction money or property in its hands under the terms of this Agreement, together with such legal proceedings as it deems appropriate, and thereupon to be discharged from all further duties under this Agreement in respect of the amounts so tendered, except as the court may order. All such legal action may be brought in any court of competent jurisdiction in the state in which the Property is located.

Client does hereby agree to indemnify, save and hold harmless AFM against any and all losses, claims, damages, liabilities and expenses, including reasonable costs of investigation and examination, and reasonable attorneys' fees which may be imposed upon AFM or incurred by AFM in connection with its acceptance of appointment as the escrow agent hereunder, or the performance of its duties hereunder, including any litigation arising from this Agreement or involving the subject matter hereof or the assets deposited hereunder.

AFM shall have the right to resign as the Escrow Agent at any time by giving written notice of resignation (the "Resignation Notice") to the Client. Upon AFM's resignation or other inability to serve as the escrow agent, Client may select a party to serve as the successor escrow agent hereunder (the "Successor Agent") by delivery of an instrument of appointment: (i) to AFM within ten (10) business days after the sending of the Resignation Notice in the case of AFM's resignation, or (ii) to the other parties hereto within ten (10) business days after AFM's failing or ceasing to serve in the case of AFM failing or ceasing to serve as the escrow agent for any reason other than its resignation. The instrument of appointment must be signed by Client and the Successor Agent. AFM's resignation, if any, shall be effective upon its receipt of the instrument of appointment. If the instrument of appointment is not received by AFM within ten (10) days after giving the Resignation Notice, AFM may appoint its successor and its resignation shall be effective upon it making such appointment.

Execution – Legal Advice: By its execution hereof, each of the parties hereto acknowledge and agree that each has freely, voluntarily and knowingly executed this Agreement and further that each has had full opportunity to review this Agreement with legal counsel of its own choosing.

Client Authorization: Client hereby warrants that it has fee simple title of the Property or has authority to execute this Agreement on behalf of the entity which has fee simple title of the Property and that information provided relative to the Property is accurate to the best of the Client’s knowledge. Client further warrants that it has fee simple title to the timber on the Property free and clear of any liens or Client hereby warrants that it has the authority to sell the timber on the Property on behalf of the entity which has fee simple title of the timber free and clear of any liens.

Term: This Agreement will expire at the time of completion of the duties and obligations as set forth in the attached Exhibit “A” or per the termination date set forth in Exhibit “A”.

Indemnification: AFM agrees to defend, indemnify and hold harmless Client, its officers, directors, employees, agents, and affiliates from and against any and all third-party claims, lawsuits and demands and the associated liabilities, damages, costs and expenses (including reasonable attorneys’ fees) (the “Claims”) arising from bodily injury, death, or property damage, caused by any act, omission, or failure of Consultant or its officers, directors, employees, agents, or Consultants, in connection with this Agreement.

Client agrees to defend, indemnify and hold harmless AFM, its officers, directors, employees, agents, and affiliates from and against any and all third-party claims, lawsuits and demands and the associated liabilities, damages, costs and expenses (including reasonable attorneys’ fees) (the “Claims”) arising from bodily injury, death, or property damage, caused by any act, omission, or failure of Client or its officers, directors, employees, agents, or Consultants, in connection with this Agreement.

IN WITNESS WHEREOF, the parties have set their hands the date and year first written above:

Client: Jefferson County c/o Kevin Streett

American Forest Management, Inc.

Region Manager

Date:

Date:

**EXHIBIT A to Timberland Services Agreement – KIRK-TSA-Jefferson County PUD
Professional Services and Payment Schedule**

I. Timber Sale Administration Services – AFM agrees to perform the following forest management services for Client.

- * Prepare a timber harvest plan (“plan”) in order to manage the timber sale in an environmentally sound manner meeting the Client’s forest management objectives. The plan shall, at a minimum, be consistent with any federal, State, or local laws or regulations in effect at the time said plan is developed.
- * Perform field work for obtaining necessary permits.
- * Prepare maps, permit applications and necessary paperwork in preparation of timber sale.
- * Provide price reviews, negotiating and marketing of any harvested timber.
- * Prepare timber sale contract.
- * Solicit logging bids.
- * Prepare service contracts with logging contractors.
- * Negotiate with wood processing mills and markets to sell harvested timber from the Property on behalf of the Client.
- * Provide one to two weekly site inspection while timber harvesting in progress and one post-harvest inspection.
- * Provide harvest management services including logging service contract administration, logging site inspections, weekly payments, financial summaries, and accounts receivable tracking reports.
- * Deposit timber sale revenues in an AFM managed wood flow account utilized to compensate logging, trucking, and processing service providers. Harvesting service costs will be paid to harvest contractors from the wood flow account on a per unit basis after receiving payment from the receiving mills. Client will receive a periodic account summary upon request or at final settlement. Client will receive the cash amount of net timber revenue (timber sale revenue less service costs) minus AFM compensation for all timber cut and sold from the Property.
- * Client will be responsible for all federal, state and local taxes.

- * **Reforestation Services** – AFM agrees to assist Client in site preparation and reforestation of Property.
 - a. AFM will locate and contract with qualified contractors to perform various site preparation and planting activities as needed on the Property
 - b. Client and AFM agree that AFM will supervise 3rd party contractor site preparation and planting activities.
 - c. AFM will inspect ongoing site preparation and planting activities in determining contractor’s fulfillment of Client/Contractor contracted obligations.
 - d. Client hereby agrees and understands that Client agrees to pay site preparation, nursery/seedling and reforestation contractors directly. They agree to pay contractor within 30 days of receipt of invoice for completed work as specified in the AFM/Contractor contract, and will additionally be responsible for any late fees or penalties incurred as a result of late payments.
 - e. If Client is responsible for seedling procurement, AFM will not have any responsibility for delivery or handling of seedlings by the vendor, nor will AFM be responsible for seedling quality, condition or survivability due to factors beyond our control.
 - f. If Client so desires, AFM will procure, on Client’s behalf, seedlings to be used for reforestation of Property. If weather or other factors beyond our control render the Property unsuitable for planting, AFM agrees to use every reasonable effort to sell seedlings on Client’s behalf, but AFM will not refund payment for seedlings if a buyer cannot be found
 - g. Client and AFM agree that weather, site conditions and other environmental factors which are beyond AFM’s control, can influence the completion of site preparation and reforestation services. Client and AFM also agree that seedling nursery practices influence seedling condition, seedling survival and growth. AFM agrees to use every reasonable effort to ensure that site preparation and reforestation services are completed in a professional and timely manner and those seedlings are handled and planted properly during the planting process. However, AFM takes no responsibility for completion of site preparation and reforestation services, seedling survival or growth due to weather or any other “Acts of God” or other factors beyond AFM’s control, nor for seedling quality or survivability issues resulting from nursery activities or “Acts of God” which occur while in the nursery.

- * **Slash Burning Services** – AFM agrees to assist Client in burning of slash created from harvesting operations on Property.
 - a. Apply for and procure approved burning permit through WA. Department of Natural Resources.
 - b. Secure bids from qualified contractors.
 - c. Develop and write burning contract to be executed with qualified contractor.
 - d. Provide one site inspection while burning is in progress to ensure compliance with contract terms.
 - e. Conduct post-harvest inspection to ensure contract has been successfully performed.

II. AFM Compensation: Client agrees to pay AFM hourly on a time and expense basis not to exceed \$26,000 for services per the following schedule:

	<u>AFM Accounting Title</u>	<u>Rate</u>
	Region Manager	\$ 150.00
	District Manager	\$ 125.00
	District Manager	\$ 125.00
	Forester III	\$ 105.00
	Forester II	\$ 85.00
	Forester I	\$ 75.00
	Forest Analyst	\$ 115.00
	GIS Analyst	\$ 105.00
	Urban Forester I	\$ 100.00
	Urban Forester II	\$ 115.00
	Urban Forester III	\$ 125.00
	Land Management Accountant	\$ 75.00
	Office Manager	\$ 60.00
	Real Estate Broker	\$ 110.00
	Forest Technician	\$ 65.00
	Mileage	\$ 0.75

- * AFM invoice to be paid from Timber Escrow Account monthly.
- * If Client elects to not proceed with any portion of this agreement, Client agrees to pay AFM \$87.50/hour for all work performed under that portion.

III. Term: The term of this Exhibit will be for the dates noted in the agreement or from the date of execution until notification of termination by either party in writing.

IV. Client Authorization: Client hereby warrants the following.

- * Client has fee simple title for the Property or has the authority to execute this Agreement on behalf of the entity which has fee simple title of the Property and that information provided relative to the Property is accurate to the best of the Client's knowledge. Client further warrants that it has fee simple title to the timber on the Property free and clear of any liens or Client hereby warrants that it has the authority to sell the timber on the Property on behalf of the entity which has fee simple title of the timber free and clear of any liens.
- * Client agrees to AFM acting as agent for timber sales and negotiations with markets for this agreement.

Kevin Streett, Acting Manager

American Forest Management

Date:

Date:

**EXHIBIT B to Timberland Services Agreement – KIRK-TSA-Jefferson County PUD
Property Map**

