



Mason County PUD No. 1
Special Board Meeting
October 17, 2023
1:00 p.m.

Join Zoom Meeting
<https://us02web.zoom.us/j/85869053743>

Meeting ID: 858 6905 3743
1 (253) 215-8782

1:00 p.m. Special Board Meeting

- 1) Public Comment-** *Members of the public wishing to comment may request permission to do so during the Public Comment portion of the agenda. Comments shall be limited to no more than 5 minutes per speaker. There will be no action or discussion of public comment items, although the board may defer to PUD management for any necessary response.*

2) Consent Agenda

Minutes:

Regular Board Meeting September 26, 2023

Disbursements:

Accounts Payable Wire	\$ 91,209.59
Check Nos. 123833-123867	\$ 582,500.53
Check Nos. 123869-123946	\$ 340,307.46
Payroll Wire	\$ 111,768.18
Payroll Check No. 123868	\$ 2,152.00
Grand Total	\$1,127,937.76

3) Business Agenda

- a. 3rd Quarter Report- 2023 Strategic Work Plan
- b. August 2023 Financials
- c. Waive Competitive Bidding for Magnum Power Emergency Storm Assistance on 9/25/23
- d. Release Easement for Goodpasters' Properties
- e. Award Fiber Maintenance Contract to Hood Canal Communications
- f. Approve Vegetation Management Change Order No. 1 for Danger Tree Removal
- g. Approve Change Order No. 1 for Agate Beach
- h. Approve Purchase and Sale Agreement for Bolduc Water System
- i. Approve Change Order No. 1 for Hill Way Project
- j. Authorize the GM to sign the DWSRF contracts for Bay East Funding

4) Staff Reports

- a. General Manager
- b. District Treasurer
- c. Water Resource Manager
- d. Legal Counsel

5) Correspondence

6) Board Comments

7) Other Business/Public Comment

8) Executive Session may be held as authorized by the Open Public Meetings Act (RCW 42.30.110)

9) Adjournment

2023 Calendar

October TBA	Energy NW PP Forum	Tri-Cities area
October 26	WPAG	London Rm, SeaTac Airport
November 15-17	WPUDA	Location TBA
November	PPC Annual Mtg.	Portland, OR
Nov/Dec (TBA)	WPAG	Virtual
April 17-19, 2024	WPUDA Annual Meeting	Skamania Lodge



Mason County Public Utility District No. 1
Board of Commissioners Regular Board Meeting
September 26, 2023, Potlatch, Washington

Present:

Jack Janda, President
Ron Gold, Vice President
Mike Sheetz, Board Secretary
Kristin Masteller, General Manager
Katie Arnold, District Treasurer
Brandy Milroy, Water Resource Manager
Julie Gray, Executive Assistant
Rob Johnson, Legal Counsel

Visitors: None

CALL TO ORDER: Jack called the regular meeting to order at 1:00 p.m.

PUBLIC COMMENT: None.

APPROVAL OF CONSENT AGENDA:

Minutes: Regular Board Meeting- September 12, 2023

Disbursements:	<u>Accounts Payable Check Register</u>	
	Accounts Payable Wire	\$ 64,951.16
	Check Nos. 123782-123820	\$ 442,289.54
	Check Nos. 123822-123832	\$ 358,454.73
	A/P Sub Total	\$ 865,695.43
	<u>Payroll Expense</u>	
	Payroll Wire	\$ 81,455.81
	Payroll Check No. 123821	\$ 1,500.00
	Grand Total	\$ 948,651.24

Ron made a motion to approve the consent agenda as presented, Mike seconded the motion. Motion carried.

Business Agenda:

Award Contract to Guardiar Fencing for Manzanita Substation – Ron made a motion to award the Guardian Fencing Contract for the Manzanita Substation to Guardiar in the amount of \$124,594.91 plus tax. Mike seconded the motion. Motion carried.

Authorize the 40% payment for the Manzanita Power Transformer – Ron made a motion to authorize the 40% payment for the Manzanita Power Transformer to Prolec-GE Waukesha, Inc. in the amount of \$270,656.80. Mike seconded the motion. Motion carried.



Mason County Public Utility District No. 1
Board of Commissioners Regular Board Meeting
September 26, 2023, Potlatch, Washington

Authorize purchase of pad mounted insulated switch for the distribution tie-in for the Manzanita Substation – Ron made a motion to authorize the purchase of the pad mounted insulated switch for the distribution tie-in for the Manzanita Substation to G & W Electric in the amount of \$88,801.00. Mike seconded the motion. Motion carried.

Bolduc SMA Agreement for pending water system acquisition – Ron made a motion to approve the Bolduc SMA Agreement for pending water system acquisition. Mike seconded the motion. Motion carried.

Staff Reports –

General Manager – Kristin reported that Tyler Speaks had been hired to read meters, Jeremiah Waugh accepted the Engineering Manager position, and Zane Vanderwal would start as the new journeyman lineman next week. She reported that they had narrowed the applicants down to two for the Customer Service position. She also reported that she met with Aspect, DOE and Tacoma Power regarding the pole yard clean up.

District Treasurer – Katie reported that she attended the APPA Business and Finance Conference last week in Phoenix. There were a lot of great presentations regarding GASB updates, grant administration, and ratios that indicate financial stability. She also reported that she and Ron, in addition to Mike Wittenberg, the District's Auditor, attended the State Auditors Exit Conference today. The 2022 financial statement and the federal grant compliance audit are now complete. Katie said that the District received an unmodified opinion for both audits, which means the District was in compliance for both the financial statement audit and the federal grant compliance audit. The District will have another federal compliance audit for 2023, as well as the financial audit and accountability audit in the summer of 2024.

Water Resource Manager – Brandy reported that she, Kristin and TJ attended the Bolduc HOA meeting. The HOA members voted unanimously to turn the system over to the PUD. She reported that she will make a presentation at the next board meeting asking to approve the Purchase and Sale agreement for this system. The water system is a Group A system with 24 customers. She reported that she, Jordan, TJ and Mike Sheetz will be attending the WPUA Water Workshop this week. She also reported that the problem that they had this past weekend with the Union Ridge water system was due to a power problem. The transformer there is too big for the pumps. The power crew will work on the transformer this week. She also reported going to the WAWSD conference and met with other water purveyors in Mason County.

Legal Counsel – Rob reported that the Release of Judgement in the Cindi Carow case is being recorded today.

Correspondence – A press release regarding the RECOMPETE Application for Mason County.

Board Reports –

Mike – Mike reported that he will attend the WPUA Water Workshop this week.

Jack – Jack had nothing to report.

Ron – Ron had nothing to report.



Mason County Public Utility District No. 1
Board of Commissioners Regular Board Meeting
September 26, 2023, Potlatch, Washington

PUBLIC COMMENT – None.

EXECUTIVE SESSION – None.

Adjournment: 1:45 p.m.

Jack Janda, President

Ron Gold, Vice President

Mike Sheetz, Secretary

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Accounts Payable Check Register

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09/26/2023 To 10/12/2023

Bank Account: 4 - UMPQUA BANK - DISTRICT

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
911 10/02/2023	WIRE	IRS	WEST COAST BANK	FEDERAL TAX LIABILITY	54,912.38
912 10/02/2023	WIRE	WASH 1	WA DEPT OF RETIREMENT SYS	STATE RETIREMENT - PLAN 2	21,819.94
913 10/02/2023	WIRE	WASH 7	WA STATE TREAS-MS: PO-11	DEFERRED COMPENSATION	10,940.00
914 10/02/2023	WIRE	HRA	HRA VEBA TRUST CONTRIBUTI	VEBA MEDICAL SAVINGS	3,537.27
123833 09/26/2023	CHK	CAROW	CAROW, CINDI	MONTHLY REIMBURSEMENT	482.79
123834 09/26/2023	CHK	MUNCHR	MUNCH, ROY	MONTHLY REIMBURSEMENT	841.60
123835 09/27/2023	CHK	ANIXTER	ANIXTER INC	ELECTRIC NON INVENTORY PARTS	6,170.96
123836 09/27/2023	CHK	ARNOLD,KATIE	KATIE ARNOLD	TRAVEL REIMBURSEMENT	473.28
123837 09/27/2023	CHK	ASPECT CONSU	ASPECT CONSULTING LLC	POLE YARD	28,165.30
123838 09/27/2023	CHK	BRUCE TITUS F	BRUCE TITUS FORD	VEHICLE #45-SENSOR	500.10
123839 09/27/2023	CHK	41	LISA CATES	TRAVEL EXPENSE REIMBURSEMENT	372.88
123840 09/27/2023	CHK	CNA	CNA SURETY DIRECT BILL	WA HIGHWAY PERMIT, COUNTY OF MASON	250.00
123841 09/27/2023	CHK	DOH	DEPT. OF HEALTH	CANAL BEACH TRACTS-SANITARY SURVEY	600.00
123842 09/27/2023	CHK	DITCH WITCH	DITCH WITCH WEST	EQUIPMENT #114-PARTS	409.70
123843 09/27/2023	CHK	DON SMALL & S	DON SMALL & SONS OIL DIST	GAS & DIESEL	5,007.28
123844 09/27/2023	CHK	FCS	FCS GROUP SOLUTIONS-ORIENTED CO	ELECTRIC RATE STUDY	2,000.00
123845 09/27/2023	CHK	GDS ASSOCIATE	GDS ASSOCIATES, INC	MONTHLY WPAG EXPENSES	331.56
123846 09/27/2023	CHK	GENPAC	GENERAL PACIFIC INC	ELECTRIC INVENTORY PARTS-CROSSARMS	27,122.02
123847 09/27/2023	CHK	GOLDSTREET	GOLDSTREET DESIGN AGENCY, INC.	CUSTOMER APPRECIATION-AD,FLYER,SOCIAL ME	1,126.26
123848 09/27/2023	CHK	GRAY	GRAY & OSBORNE, INC	ALDERBROOK RECLAIMED WATER ASSISTANCE	22,421.58
123849 09/27/2023	CHK	HDFOWL	HD FOWLER COMPANY	WATER NON INVENTORY PARTS	4,836.45
123850 09/27/2023	CHK	KRISTMAS TOW	KRISTMAS TOWN KIWANIS	ANNUAL DUES	131.00
123851 09/27/2023	CHK	LES SCHWAB	LES SCHWAB WAREHOUSE CENTER	VEHICLE #62-(1)NEW TIRE	857.03
123852 09/27/2023	CHK	MASTELLER	KRISTIN MASTELLER	TRAVEL EXPENSE REIMBURSEMENT	1,436.16
123853 09/27/2023	CHK	MTC	MATERIALS TESTING & CONSULTING, IAGATE BEACH WATER-PHASE II		2,552.00
123854 09/27/2023	CHK	PITENY BOWES	PITNEY BOWES GLOBAL FINANCIAL SEQTRLY MAILING MACHINE & SCALE-LEASE FEES		413.52

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
123855 09/27/2023	CHK	PROLEC-GE	PROLEC-GE WAUKESHA, INC	40% DOWN-(10)TRANSFORMERS MANZANITA SUB	270,656.80
123856 09/27/2023	CHK	SMS CLEANING	SMS CLEANING, INC	JULY MONTHLY JANITORIAL SERVICE	1,425.60
123857 09/27/2023	CHK	SPIKES	SPIKES HYDRAULICS & EQUIP	VEHICLE #102-HOSE & FITTINGS	190.07
123858 09/27/2023	CHK	TOZIER	TOZIER BROS, INC	SHOP SUPPLIES	157.81
123859 09/27/2023	CHK	46	KOBE VIND	CLOTHING ALLOWANCE REIMBURSEMENT	164.06
123860 09/27/2023	CHK	2	EDWARD C MULLER	HEAT PUMP REBATE	1,400.00
123861 09/27/2023	CHK	2	XPO LOGISTICS FREIGHT, INC	TRIPLE SEAL DOOR SWEEPS	309.04
123862 09/27/2023	CHK	CITI CARDS	CITI CARDS	COSTCO VISA CHARGES-ACCT. #4326	16,977.50
123863 09/27/2023	CHK	SHEL 2	MASON COUNTY JOURNAL	2023 FIBER BROADBAND MAINT.-AD	277.00
123864 09/29/2023	CHK	2	GUARDIAR USA LLC	MANZANITA SUBSTATION FENCING	132,478.64
123865 09/30/2023	CHK	WPUDA	WASHINGTON PUD ASSOC.	MONTHLY DUES	1,887.00
123866 09/30/2023	CHK	WASH 8	WASHINGTON STATE	SEPTEMBER 2023-HEALTH, DENTAL, & LTD	49,745.54
123867 09/30/2023	CHK	WITTENBERG C	WITTENBERG CPA, PS	CONSULT-MANAGEMENT	330.00
123869 10/02/2023	CHK	IBEW	IBEW LOCAL UNION #77	UNION DUES	1,118.39
123870 10/02/2023	CHK	PUDEMP	PUD #1 EMPLOYEE FUND	EMPLOYEE FUND	240.00
123871 10/02/2023	CHK	AFLAC	AFLAC	SUPPLEMENTAL INSURANCE	145.04
123872 10/02/2023	CHK	BRIGHT KNIGHT	BRIGHT KNIGHTS LLC	HOLIDAY BEACH PUMP HOUSE	16,465.89
123873 10/02/2023	CHK	BROWNT	BROWN, TIM	DOT PHYSICAL EXAM	150.00
123874 10/02/2023	CHK	DOH	DEPT. OF HEALTH	CANAL MUTUAL WATER-SANITARY SURVEY FEE	600.00
123875 10/02/2023	CHK	EXCELSIOR CLE	EXCELSIOR CLEANING	MONTHLY JANITORIAL SERVICES	1,282.50
123876 10/02/2023	CHK	GMES LLC	GMES LLC	VEHICLE #65-LINEMAN'S HAMMER	154.56
123877 10/02/2023	CHK	GOLDSTREET	GOLDSTREET DESIGN AGENCY, INC.	WEBSITE HOSTING	50.00
123878 10/02/2023	CHK	HOODCA	HOOD CANAL COMMUNICATIONS	INTERNET, IT SERVICES, & ALARM DIALER	5,550.73
123879 10/02/2023	CHK	JANDAJ	JANDA, JACK	SEPTEMBER TRAVEL EXPENSE REIMBURSEMENT	13.75
123880 10/02/2023	CHK	MEGUIRE WHIT	MEGUIRE WHITNEY	ERA FIXED T-LINE REBUILD FEE	5,662.50
123881 10/02/2023	CHK	NWSS	NORTHWEST SAFETY SERVICE LLC	SAFETY SERVICE-SEPTEMBER 14, 2023	1,136.25

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Accounts Payable Check Register

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Bank Account: 4 - UMPQUA BANK - DISTRICT

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
123882 10/02/2023	CHK	PACIF1	PACIFIC UNDERWRITERS CORP	SUPPLEMENTAL INSURANCE-JULIE	15.92
123883 10/02/2023	CHK	PARSON	PARSONS DIESEL & STEAM	SERVICE VARIOUS VEHICLES	3,211.60
123884 10/02/2023	CHK	RICOH USA	RICOH USA, INC.	RENT ON TWO MACHINES & ADDITIONAL IMAGES	514.29
123885 10/02/2023	CHK	SPECTRA LAB	SPECTRA LABORATORIES-KITSAP, LLC	VARIOUS WATER SAMPLES	2,143.10
123886 10/02/2023	CHK	34	WASHINGTON ALARM, INC	MONTHLY BILLING - SECURITY SYSTEM SHOP	182.28
123887 10/02/2023	CHK	WITTENBERG C	WITTENBERG CPA, PS	CONSULT-MANAGEMENT	330.00
123888 10/04/2023	CHK	OLDCASTLE	OLDCASTLE INFRASTRUCTURE	ELECTRIC INVENTORY PARTS	36,950.76
123889 10/04/2023	CHK	SLATE ROCK SA	SLATE ROCK SAFETY, LLC	2EMPLOYEES-TYLER SPEAKS & ZANE VANDERWAL	4,000.00
123890 10/04/2023	CHK	US BANK-CCC	US BANK	MO.CARD CHARGES-4484 7345 5001 2554	7,493.83
123891 10/09/2023	CHK	2M COMPANY	2M COMPANY INC	WATER NON INVENTORY PARTS	35.72
123892 10/09/2023	CHK	CAPIT2	CAPITAL INDUSTRIAL, INC.	VEHICLE #65 & SHOP SUPPLIES	222.65
123893 10/09/2023	CHK	COLONI	COLONIAL LIFE INSURANCE	SUPPLEMENTAL INSURANCE	712.71
123894 10/09/2023	CHK	CRC	COOPERATIVE RESPONSE CENTER, INC	AFTER HOURS ANSWERING SERVICE	2,012.11
123895 10/09/2023	CHK	DON SMALL & S	DON SMALL & SONS OIL DIST	GAS & DIESEL	7,431.49
123896 10/09/2023	CHK	GENPAC	GENERAL PACIFIC INC	ELECTRIC NON INVENTORY PARTS-OH SPLICES	854.98
123897 10/09/2023	CHK	GILLIARDI LOG	GILLIARDI LOGGING AND CONSTRUCT	UNION WATER	1,314.38
123898 10/09/2023	CHK	HDFOWL	HD FOWLER COMPANY	WATER NON INVENTORY PARTS-PIPE	1,103.76
123899 10/09/2023	CHK	J&I	J & I POWER EQUIPMENT INC	(1)MS 362R-25 CHAIN SAW SN#194089424	1,349.28
123900 10/09/2023	CHK	KESTER	KESTER, GREGORY C.	MONTHLY REIMBURSEMENT	1,525.47
123901 10/09/2023	CHK	KRISTMAS TOW	KRISTMAS TOWN KIWANIS	ANNUAL DUES-KATIE	131.00
123902 10/09/2023	CHK	MAGNUM POWE	MAGNUM POWER, LLC	STORM WORK 9/25/2023	8,415.70
123903 10/09/2023	CHK	MARSH	MARSH MUNDORF PRATT & SUL	MONTHLY WPAG SERVICES	354.17
123904 10/09/2023	CHK	MASON7	MASON COUNTY AUDITOR	RECORD EASEMENTS	613.50
123905 10/09/2023	CHK	MASON CO GAR	MASON COUNTY GARBAGE	MONTHLY GARBAGE CHARGES	428.52
123906 10/09/2023	CHK	SHEL 2	MASON COUNTY JOURNAL	RIPPLEWOOD MAINLINE REPLACEMENT-AD	3,615.00
123907 10/09/2023	CHK	MT VIEW LOCA	MT. VIEW LOCATING SERVICES, LLC	MONTHLY UNDERGROUND LOCATES	12,070.00

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Accounts Payable Check Register

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Bank Account: 4 - UMPQUA BANK - DISTRICT

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
123908 10/09/2023	CHK	GCR*	POMP'S TIRE SERVICE	VEHICLE #67-(4)NEW TIRES	871.50
123909 10/09/2023	CHK	POWER ENGINE	POWER ENGINEERS	MANZANITA SUBSTATION ENGINEERING & TEST	19,158.44
123910 10/09/2023	CHK	51	MATTHEW SAMUELSON	CLIMATE COMMITMENT ACT Consulting	5,520.00
123911 10/09/2023	CHK	STANDARD PES	STANDARD PEST CONTROL	PEST CONTROL-1681 E MCREAVY RD	119.35
123912 10/09/2023	CHK	UTILI1	UTILITIES UNDERGROUND LOCATION	MONTHLY ELECTRIC LOCATES	252.52
123913 10/09/2023	CHK	VERIZO	VERIZON WIRELESS	JULIE'S CELL PHONE MONTHLY CHARGES	42.49
123914 10/09/2023	CHK	180 ENGINEERIN	JEREMIAH WAUGH	GENERAL,DUCKABUSH,& MANZANITA SUBSTATION	4,681.25VOID
123915 10/09/2023	CHK	NAPA AUTO PA	WESTBAY NAPA AUTO PARTS	SHOP SUPPLIES	16.52
123916 10/09/2023	CHK	WHITEWOLF EN	WHITEWOLF ENGINEERING SERVICES	CANAL VIEW,LAKE ARROWHEAD,& ENGIN SUPPOR	24,820.00
123917 10/09/2023	CHK	2	NATIONAL UTILITY INDUSTRY TRAINI	LINEMAN BOOKS-LJ & RUDY	1,137.00
123918 10/09/2023	CHK	2	OLYMPIC MT ICE CREAM	(500)ICE CREAM-CUSTOMER APPRECIATION BBQ	875.00
123919 10/10/2023	CHK	FERRIER	JANIECE FERRIER	MONTHLY REIMBURSEMENT-#51058600	1,502.80
123920 10/10/2023	CHK	SLATE ROCK SA	SLATE ROCK SAFETY, LLC	NEW EMPLOEEE-JEREMIAH WAUGH	500.00
123921 10/11/2023	CHK	ANIXTER	ANIXTER INC	ELECTRIC NON INVENTORY PARTS-AUTO SPLICE	994.43
123922 10/11/2023	CHK	ASW	ARCHBRIGHT	Q4 2023 L&I CLAIM ONLY SERVICE FEE	543.64
123923 10/11/2023	CHK	CENTUR	CENTURYLINK	TELEPHONE CHARGES ACCT#206-Z05-0016 020	1,461.87
123924 10/11/2023	CHK	DOH	DEPT. OF HEALTH	VIEWCREST BEACH WATER-SANITARY SURVEY	1,200.00
123925 10/11/2023	CHK	ENGINEERING U	ENGINEERING UNLIMITED, INC	ONE-SHOT SEALS	1,000.00
123926 10/11/2023	CHK	GE SOFTWARE	GE SOFTWARE INC DBA EKOS	EKOS FUEL SITE MODULE	80.00
123927 10/11/2023	CHK	GENPAC	GENERAL PACIFIC INC	ELECTRIC NON INVENTORY PARTS-GUY MARKERS	611.94
123928 10/11/2023	CHK	INSIGHT	INSIGHT GEOLOGIC INC	BAY EAST WATER TREATMENT	5,000.00
123929 10/11/2023	CHK	IRISH BROTHER	IRISH BROTHERS LLC	AGATE BEACH WATER SYSTEM PHASE 2	100,705.58
123930 10/11/2023	CHK	L.G.	L. G. ISAACSON CO. INC.	SHOP SUPPLIES	542.87
123931 10/11/2023	CHK	LILLIWAUP FAL	LILLIWAUP FALLS GENERATING COMP	SEPTEMBER POWER USAGE	1,367.14
123932 10/11/2023	CHK	MILES	MILES SAND & GRAVEL COMPANY	UNION WATER-MAINLINE REPLACEMENT	228.35
123933 10/11/2023	CHK	NICHOL	NICHOLSON DRILLING, INC.	UNION RIDGE WELL REPAIR	244.13

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Accounts Payable Check Register

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09/26/2023 To 10/12/2023

Bank Account: 4 - UMPQUA BANK - DISTRICT

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
123934 10/11/2023	CHK	NISC	NISC	SEPTEMBER 2023-PRINT SERVICES	14,040.24
123935 10/11/2023	CHK	PARSON	PARSONS DIESEL & STEAM	SERVICE VARIOUS VEHICLES	3,390.63
123936 10/11/2023	CHK	PLATT ELECTRI	PLATT	ELECTRIC-TOOLS & NON INVENTORY PARTS	1,487.90
123937 10/11/2023	CHK	PUD#3	PUD #3 OF MASON COUNTY	ELECTRIC NON INVENTORY-10A FUSES	3,507.21
123938 10/11/2023	CHK	JOHN 3	ROBERT W. JOHNSON	SEPTEMBER RETAINER & CINDI-RECORDING FEES	4,031.89
123939 10/11/2023	CHK	RWC GROUP	RWC GROUP	(140)GALLONS OF BULK DEF	379.75
123940 10/11/2023	CHK	STATE	STATE AUDITOR'S OFFICE	2022 FEDERAL & FINANCIAL AUDIT	3,840.00
123941 10/11/2023	CHK	TACOMA	TACOMA SCREW PRODUCTS IN	SHOP SUPPLIES	209.82
123942 10/11/2023	CHK	WAPITI	WAPITI AERIAL SERVICE INC	ANNUAL INSPECTION & TEST REPORT-#60	430.00
123943 10/11/2023	CHK	WPUDA	WASHINGTON PUD ASSOC.	WPUDA NOVEMBER POWER LUNCH-KRISTIN	40.00
123944 10/11/2023	CHK	NAPA AUTO PA	WESTBAY NAPA AUTO PARTS	WASH CLOTHS	159.37
123945 10/11/2023	CHK	2	LIQUID METAL FAB	VEHICLE #82-STORAGE BOX	1,030.75
123946 10/12/2023	CHK	180 ENGINEERIN	180 ENGINEERING, PLLC	GENERAL, DUCKABUSH, & MANZANITA SUBSTATION	4,681.25

Total Payments for Bank Account - 4 : (116) 1,009,336.33

Total Voids for Bank Account - 4 : (1) 4,681.25

Total for Bank Account - 4 : (117) 1,014,017.58

Grand Total for Payments : (116) 1,009,336.33

Grand Total for Voids : (1) 4,681.25

Grand Total : (117) 1,014,017.58

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Payroll/Labor

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Check Register

Pay Date: 10/02/2023 To 10/02/2023

Empl Name	Pay Date	Dir Dep/Check	Net Pay	Type
114 MICHAEL YORK	10/02/2023	123868	2,152.00	CHK

PARAMETERS ENTERED:

Pay Date: 10/02/2023 To 10/02/2023
Check/Direct Deposit: All
Employee: 114
Journal: 0

Division: All
Format: Summary By Check
Sort By: Check/Direct Deposit

10/12/2023 10:51:43 AM

GENERAL LEDGER

TRANSACTION DETAIL

Page: 1

OCT 2023 To OCT 2023

Date	Journal Description	Actv BU Project	Mod	Jrnl Reference Code	
Account: 0 131.2 CASH-GENERAL FUND (DISTRICT)					
10/02/23	77681 Check Print	0	PL	2 PAYROLL	111,768.18

PARAMETERS ENTERED:

Division: All

Accounts: 0 131.2

Department: All

Activity: All

Sort By: Div/Acct

Date Selection: Period

Period: OCT 2023 To OCT 2023

Module: PL

Journal Activity: All

Accounts With No Transactions: Yes

Extended Reference: No

Interface Detail: No

Group by Department: Yes

51217

/pro/rpttemplate/acct/2.55.1/gl/GL_TRANS_DETAIL.xml.rpt

Karnold

Mason PUD 1

2023 Strategic Work Plan

*** NOTICE:** This work plan is a live, flexible document. The tasks assigned are budget and workforce contingent. Items will be added, and some will be removed or changed throughout the year. This work plan is approved by the board of commissioners. Senior staff reports the progress quarterly to the board to ensure that the PUD is on track and has a clear plan and direction.

1.0	Finance	Status: Progress, On Track, Off Track, Completed, Removed	Assigned To:	Due Date:
1.1	Loans & Grants			
1.1.2	Brownsfield Funding	Q1 Completed. Received \$102,500 to be spent by 6/30/23 for pole yard clean up activities. Will put in another inquiry for any unspent Brownsfield funding at end of 2023.	James/Katie	When ready
1.1.3	VICP – if we get an NFA	Q1- We received a \$102,500 programmatic funding grant from Dept. of Ecology to help with final tasks for excavation and monitoring for the pole yard. Q2- Not ready to begin. Q3- Will not be ready in 2023. Will finalize report and submit in 2024. Q4- Had meeting with Ecology, Aspect and TPU. Will shoot for 2024.	James/Katie	When ready
1.1.4	FEMA Mitigation Funding	Q1- Submitted a \$192,000 request to Dept. of Emergency Management for substation security activities in March. Should find out in a few months if all or a portion of it was selected for funding. Q2- Were not selected for this round of DEM funding for substation. Will resubmit for next round. Also submitting several HMP and BRIC applications in July. Q3- Waiting for contracts and in RFI Process.	Katie	Ongoing
1.1.5	BRIC Funding	Q1- The \$9 million water main line and generator project was selected by the state to move forward for federal competition. Nothing new to report this quarter. Q2- Submitting several BRIC project applications in July for Jorstad, substation security, mobile substation and 106 rebuild. Q3- Jorstad and 106 were selected to submit full applications.	Katie	Ongoing
1.1.6	DWSRF Funding	Q1- We received 85% subsidy for \$682k portion of Bay East and 100% subsidy from the EPA funding through DWSRF for \$132k of Bay East. Overall, out of pocket cost to the PUD for the \$829k project is \$102k. New property acquisition at Totten was included in this request. No other SRF will be submitted until the fall. Q2- Had meeting with Skokomish Tribe about possibly co-applying for Minerva Terrace water main extension. Q3- Will move the Minerva to 2024 application cycle. With 8 water system grant projects in the works now, we will not apply for more this year. Will finish out some of the existing projects and apply for storage projects in 2024.	Katie/Brandy	Q3
1.1.7	State & Federal Appropriations	Completed. Q1- We applied for \$3 million in Jorstad substation funding from Murry and Cantwell's offices and \$2.4 million in Manzanita water reservoir funding from Kilmer's office. Kristin set up separate meetings at their DC offices a couple weeks ago. Kristin also submitted \$1.5 million in water funding	Kristin	Q2

		<p>requests for state appropriations and Rep. Couture and Sen. MacEwen sponsored these requests for the capital budget. Will see if anything was selected to move forward.</p> <p>Q2- Senator Cantwell included \$1.5 million in her appropriations budget request for Jorstad Substation.</p> <p>Q3- Appropriations Committee didn't choose project for budget. Will reapply next year. House disallowed all energy projects and Senate had very few this year.</p>		
1.1.8	Federal Infrastructure Grants	<p>Q1- Waiting for Resilience funding to open through Dept. of Commerce and waiting to hear if the \$3 million wildfire mitigation project is selected. No other openings this quarter to apply for. Kristin working with the EDC on RECOMPETE Act application for all of Mason County. Will apply part of MW grant writing budget to the RECOMPETE project if PUD 1 projects look like they'll be wrapped into the scope of the request.</p> <p>Q2- We were invited to apply with Utah Dept. of Energy for a joint application 40101 grant. Included \$1.3 million tideflats underbuild project. Should find out at end of 2023 if we were selected. Did not get selected in USFS wildfire mitigation grant for the first round. Were invited to reapply for the second round. Application scored high but did not have extreme fire risk like the others selected in the first round. Will reapply this fall. Applying for several BRIC grants and ReCompete through Mason County for various infrastructure projects.</p> <p>Q3- Resubmitting wildfire mitigation grant in Q4 for Round 2. Was not invited for a full proposal for ERA. Should find out from Dept. of Energy Utah by end of year. Submitting Manzanita Water Storage as part of RECOMPETE.</p>	Katie/Kristin/Meguire Whitney	Ongoing
1.1.9	Add any others	<p>Q1 Progress: Kristin submitted a \$2 million request to the State Broadband Office to replace 249 poles throughout Brinnon to help HCC's Brinnon Broadband Project.</p> <p>Q2- Was not selected for the SBO grant. Have follow up meeting scheduled with their office to see if it's worth continuing to try in future rounds. Working with EDC and Mason County on federal ReCompete application for Mason County. Manzanita water storage project included in this application.</p> <p>Q3- Received three projects funding through state appropriations process. \$600k for Vuecrest and \$1 million for Agate Beach and Ripplewood. Working on contract requirements in Q4.</p>	Staff	Ongoing
1.2	Continue Debt Strategy and Milestones			
1.2.1	Continue days cash on hand	<p>Q1 – Continuing to fund each month into the LGIP for both Water & Electric.</p> <p>Q2 – On track with projections for 2023 funding budget.</p> <p>Q3- On track with projections for 2023. Reimbursements from FEMA bringing overall cash back up.</p>	Katie	Ongoing
1.2.3	Finance Committee Review and Recommend reserve funding levels	<p>Q1- FCS Group starting the electric COSA refresh and will evaluate funding reserve levels as part of their recommendations in 2023. Nothing else to report this quarter.</p> <p>Q2 – FCS is still working on electric COSA. Will review recommendations with Finance Committee after the COSA is complete.</p> <p>Q3- COSA is done. FCS Group working with staff to put together budget presentation for commission in Q4.</p>	Katie	Q3

1.2.3.1	Refresh reserves funding levels due to trends in vehicle replacements and substation expenses	Q1- FCS Group starting the electric COSA refresh and will evaluate funding reserve levels as part of their recommendations in 2023. Nothing else to report this quarter. Q2 – COSA ongoing. Will know more in mid-July. Q3- COSA completed. Will incorporate projections into 2024 budget.	Katie	Q3
1.2.3.2	Show how the reserve funding impacts rates- give 3-4 options for board to choose from	Q1- Nothing to report this quarter. Q2 – Will know more mid-July. COSA is underway. Q3- COSA completed. Will incorporate recommendations and projections in Q4 budget workshop with commission for budget process.	Katie/Kristin	Q3
1.2.4	Consider Leasing equipment versus purchasing – do cost-benefit-analysis on reduction in maintenance/repairs costs with leasing compared to purchasing outright.	Q1 – Reached out to two vendors to get quotes on leased vehicles, equipment etc. Will review in the coming months to determine feasibility. Q2 – Completed. Not considering leasing at this time, due to cost and reporting requirements. Will continue to keep the lines open for future.	Katie/Rich	Q1
1.2.5	Low Income Assistance Program – what does the utility funded portion look like and how will we accomplish?	Q1 Progress: Board agreed to take \$25,000 out of BPA’s Reserve Distribution Credit in 2023 and set it aside in the LGIP to gain interest over the next few years while we develop the rest of the program. Q2 – nothing new to report this quarter. Q3- Evaluating if we should use Climate Commitment Act allowances to fund CETA low income program. Will have a presentation from Matt Samuelson by end of Q4. Adding \$2,500 from excise tax toward the CETA program fund.	Katie/Kristin	Q3
1.2.6	CETA Requirements/Reporting	Q1 – We were notified by the State Auditors that they have started the 2019 / 2020 audit for CETA. This will occur every two years. Q2 – Audit is in progress. No updates to report at this time. Q3- Audit in progress. Will be completed by Q4.	Katie	
1.3	Update COSA & Rates			
1.3.1	Hold electric rate hearing	Q1- FCS Group starting the electric COSA refresh and will evaluate rates and electric system development fees as part of their recommendations in 2023. Nothing else to report this quarter. Q2 – COSA is in progress. Will know more mid-July. Q3- Scheduled for December 12 th .	Katie	Q4
1.3.1.1	Set next 3 years of rates	Q1- FCS Group starting the electric COSA refresh and will evaluate rates and electric system development fees as part of their recommendations in 2023. Nothing else to report this quarter. Q2 – COSA is in progress. Will know more mid-July. Q3- Scheduled for December 12 th .	Katie/Kristin	Q4
1.3.2	BPA Settlement or Rate Case – Pass through for negative increase	Q1 Completed. Board approved staff proposal to send BPA distribution credit through as bill credits for 10 months.	Kristin	When ready
1.3.3	Hold fiber rate hearing	Q1- Not ready to begin. HCC is sending a draft of the lease agreement for review. Q2- Not having a dark fiber lease rate anymore. Instead have developed a port charge. This will be on the July board agenda for approval. Q3- Changed rate structure to be a drop fee billed through the service provider. This has been completed.	Kristin	When ready

1.3.3.1	Set dark fiber lease policy	Q1- Not ready to begin. HCC is sending a draft of the lease agreement for review. Q2- Not leasing dark fiber. Instead offering a port charge. This policy and rate and agreement will be on the July board agenda for approval. Q3- Changed rate structure to be a drop fee billed through the service provider. This has been completed.	Kristin	When ready
1.3.3.2	Board to decide 5- or 7-year payback period for the \$355,000 balance due on the fiber project.	Q1- Not ready to begin. HCC is sending a draft of the lease agreement for review. Q2- Have developed an 8 year payback model for port charges. Will reevaluate the charge each year until the balance is paid off and a small reserve fund for maintenance and repairs is built. Will be on July board agenda for approval. Q3- This was set at a 10 year payback and approved by the board. Completed.	Kristin/Commissioners	When ready
1.3.3.3	Staff to work with HCC on this to make sure it's affordable for customers to connect to internet and present options to board for approval at rate hearing	Q1- Not ready to begin. HCC is sending a draft of the lease agreement for review. Q2- Have developed an 8 year payback model for port charges. Will reevaluate the charge each year until the balance is paid off and a small reserve fund for maintenance and repairs is built. Will be on July board agenda for approval. Q3- This drop rate was approved at a board meeting. Completed.	Kristin	When ready
1.4	Misc.			
1.4.1	Community Solar II – Low income program	Q1- Place holder to remember to do new round of prequalifying low-income customers in 2023 to start participating in 2024. Q2- Julie and Lisa outlined process for prequalifying next round and set dates for outreach and notification to existing customers. Q3- WSU approved rebate check amounts. Checks are ready to go out. Lisa and Julie will finalize process for recertifications in Q4.	Kristin	Q2
1.4.2	Single Audit	Q1 – This will occur sometime in June – August. We will know by the end of May the timeframe for this audit. Q2 – Audit will start July 2023 and be completed mid-August. Q3- Completed. No findings.	Katie	Q4
1.4.3	CETA Audit	Q1 –2019 & 2020's had has begun with the State Auditor's office. Q2 – No updates to report this quarter. Q3- In process. Will be completed Q4.	Katie	
1.4.4	Fund the Pole Yard	Q1- We received a \$102,000 programmatic funding grant from Dept. of Ecology to help with final tasks for excavation and monitoring for the pole yard. Q2- Completed tasks under the grant requirements. Will now evaluate next steps and decide if we are going to do any of them in 2023's budget cycle or wait until 2024. Q3- Fully funded into 2024 and should cover the remaining tasks. Completed.	Katie/Kristin	Q3- budget process
1.4.5	Cost Savings Opportunities	Q1- Rich found electric equipment on surplus site and procured it for new line superintendent. Saved over \$1,000. Q2- Nothing to report this quarter. Q3- Purchased a reclosure from PUD 3 that saved us \$52,000. Ordered stringing equipment to save on labor expense and increase speed & safety on reconductoring.	Staff	Ongoing

1.4.6	Community Solar III	Q1- Energy Northwest is not able to host this project. Kristin will reach out to other east side utilities to see if there’s interest in partnering. Nothing else to report this quarter. Q2- Nothing to report this quarter. Q3- This is not moving forward. Energy Northwest isn’t able to pull it off. Will be receptive to future opportunities if they arise.	Kristin	Q2
1.5	Fund Infrastructure Projects			
1.5.1	Duckabush Relocation	Q1- Design is completed. Putting out to bid. Q2- Environmental NEPA is complete. Project on hold until WSDOT finalizes their design this year. Will now be put out to bid in 2024. Q3- Jeremiah is almost finished with DOT approval. Kristin met with WSDOT senior staff about guaranteeing no changes to final design approval. Materials should be ordered and bid packet out by end of 2023 or very early 2024.	Kristin	Ongoing
1.5.2	Jorstad	Q1- The phased budget for this has been developed. Kristin met with federal delegation on earmarks to start this project. Will apply for Commerce 40101 funding when it opens. Q2- Senator Cantwell included funding in the budget. Will see if it passes and then will work on contracts to begin engineering and permitting. Have applied for funding through BRIC and will also apply through Commerce. Q3- BRIC application invited to submit full application. Will continue with Commerce once it opens.	Kristin	Ongoing
1.5.3	Union Regional Projects	Q1- Vuecrest received an additional \$750,000 in ARPA funding from Mason County. Engineers are phasing this to match the funding amounts and it will be put out to bid soon. Kristin met with Kilmer’s staff on CPF funding to help pay for the Manzanita water reservoir and retention pond. Will also apply for federal grants for this as they open. Q2- Working on RECOMPETE to include the Manzanita Water Storage project. Vuecrest received state budget funding to complete. Will be put out to bid in Q3. Q3- Vuecrest is almost ready for bid. Will go out before end of year. Water system plan has been approved.	Kristin	Ongoing
1.5.4	Manzanita	Q1- Kristin met with Kilmer’s staff on CPF funding to help pay for the Manzanita water reservoir and retention pond. Will also apply for federal grants for this as they open. Q2- Working on RECOMPETE to include the Manzanita Water Storage project. Substation design and engineering continuing. Civil design for water and retention ponds continuing. Q3- Manzanita water included in RECOMPETE application. Design is continuing for the water side. Will move warehouse design to 2024.	Kristin	Ongoing
1.6	CEDS	Q1- Nothing to report this quarter. Q2- Kristin updated PUD 1’s CEDS projects for the RECOMPETE application through the EDC. Q3- Completed for 2023.	Kristin	Q2
2.0	Facilities			
2.1	Implement Manzanita Campus Plan			

2.1.1	Complete design of reservoirs & retention pond	Q1- In progress. Gray & Osborn have started this design. Q2- Ongoing. G&O is working with James and Power Engineers on this. Q3- Design is at 90% at end of Q3.	Kristin/James/G&O	
2.1.2	Complete design of substation	Q1- In progress. POWER Engineers have started this design. Power transformer, regulators, distribution breakers and circuit switcher have been ordered. Fencing was put in a FEMA request for substation security. 180 Engineering has started the plan for distribution ties and will be on site to meet with the crew at the end of March to discuss that process. Q2- Ongoing. Design continues and bids have been awarded for equipment. Q3- Design is at 75% by end of Q3. Still plan to put dirt work out to bid by end of Q4. Fencing has been ordered and install will be put out to bid by end of Q4. Rob is finalizing the easement. Kristin will work with TPU on vegetation management on their easement.	Kristin/James/POWER	
2.1.2.1	Get project construction out to bid in 2023 & choose contractor	Q1- Not ready to begin. Q2- Not ready to begin. Q3- Not ready to begin.	Kristin/James/POWER	
2.1.2.2	Construct exit feeders	Q1- Not ready to begin. Q2- Not ready to begin. Q3- Not ready to begin. Moved to 2024 in house work plan.	Kristin/James/POWER	2024
2.1.2.3	Construct riser pole for double circuit	Q1- Not ready to begin. Q2- Not ready to begin. Q3- Not ready to begin. Moved to 2024 in house work plan.	Kristin/James/POWER	2024
2.1.3	Get quote to do design of small warehouse- determine if it will fit in 2023 or 2024's budget	Q1- Gray & Osborn have started this and will be included in their final design. Will likely be a Phase 3 project for a later date unless funding becomes available sooner. Q2- Nothing new to report. Q3- Will put in budget for 2024.	Kristin/James/G&O	2024
2.2	Continue facility maintenance			
2.2.1	Mow all vaults on highway each year	Q1- Not ready to begin. Q2- Completed.	Matt	Q2
2.2.2	Continue landscaping schedule – add any new sites or attention to list	Q1- Not ready to begin. Q2- Landscapers have started. Brandy managing this contract. Spraying substations and have increased Madrona Park mowing to every other week. Q3- Ongoing. Contract will closeout at end of Q3. Completed.	Brandy	Q2
2.2.3	Complete retrofit of Woman's Club for Meter shop	Q1- Matt met onsite with Summer from National Metering to get a design plan together for what needs to be done this summer. Q2- Looking for area to relocate items in woman's club. Water department needs to reorganize part of their inventory in new covered area. Summer met with Cole to finalize plan. Q3- Summer and Matt to meet with Cole in October and finish out the project.	Matt/Rich	Q2
2.2.4	Clean solar panels	Q1- Not ready to begin. Q2- Not ready to begin. Q3- Need to get a quote for budget and contract this work in 2024.	Kristin/Matt	2024
2.2.5	Work with G&O on dusting off new facility plan so we know how much money we need to go after to build it. (Will not do any	Q1- Not ready to begin. Q2- Not ready to begin.	Kristin	2024

	actual work on new buildings though unless we get funded eventually.)	Q3- Moved to 2024. Too many projects going on right now to focus on this. Need to use our resources getting our existing projects done.		
2.2.6	Dust control	Q1- Not ready to begin. Q2- On schedule for July. Q3- The company did not provide a quote. Will get in budget for 2024.	Kristin/Rich	2024
2.2.7	“No Parking” at front of buildings	Q1- Not ready to begin. Q2- Not having his issue anymore. Will move to 2024 when we resurface/repaint parking lot. Moved to 2024.	Kristin/Rich	MOVED to 2024
2.2.8	Determine if we need to expand our lay down yard for grant project materials	Q1- TJ has ordered two covered storage buildings to be installed on site for water materials. James procured a private site in Brinnon for the pole replacement project and future line conversion project at Duckabush for a secure laydown yard. Q2- Completed. Both covered storage buildings on-site. One has been constructed.	TJ/Rich	Q1
2.3	Continue Cleanup Work at Pole Yard			
2.3.1	Complete monitoring	Q1-Completed 75% of required groundwater monitoring. Samples are trending to a non-detectable level. Q2- No report. Q3- Completed.	James/Kristin	All Qs
2.3.2	Negotiate new monitoring contract with Aspect	Q1- The final quarterly sample taken in Q2 will dictate if a future sampling contract will be necessary. Q2- No report. Q3- Will determine if Ecology requires additional monitoring to close out the project in 2024, but at this time, the monitoring is completed.	James/Kristin	Q1
2.3.2.1	Evaluate if we can take our own samples	Q1- Aspect has been contracted to collect and record all groundwater samples.	James/Kristin	Q1
2.3.2.2	Get costs for dioxin sampling for historical survey	Q1- Dioxin/Furan Background Study & Additional Investigation contract order has been signed in the amount of \$103,453 funded by DOE’s Brownsfields grant.	James/Kristin	Q1
2.3.3	Negotiate steps forward with TPU	Q1- TPU has been very supportive of the Districts efforts. Current processes will determine next steps in Q2. Q2- Ecology working on recommendations for conditional NFA. Q3- James and Kristin met with TPU, Ecology and Aspect on site and Ecology will provide a technical recommendations memo to TPU in Q4. TPU then will decide which direction they want to move in and this will inform any close out work in 2024.	James/Kristin	Ongoing
2.3.3.1	Cost-benefit analysis for 3-to-5-year monitoring plus remedial excavation	Q1- Not ready to begin. Q2- Not ready to begin. Q3- Will occur in Q4 or 2024 once we get direction from Ecology and TPU on close out steps.	James/Kristin	
2.3.4	Work with Aspect on monitoring to seek the “NFA-No Further Action” requirement	Q1- A background study will educate any additional remedial action. Aspect has finalized scope and are analyzing samples for Ecology review. Q2- Aspect has released a memo after the conclusion of the groundwater monitoring efforts as well as the additional soil investigations. Water samples are below detectable range, however additional soil removal may be necessary. Ecology will determine extent in Q3.	James/Kristin	Ongoing

		Q3- James and Kristin met with TPU, Ecology and Aspect on site and Ecology will provide a technical recommendations memo to TPU in Q4. TPU then will decide which direction they want to move in and this will inform any close out work in 2024.		
2.3.5	Apply for reimbursement funding through Ecology as it comes available	Q1- The District was awarded Interagency Agreement (IAA) No. C2300086 from Department of Ecology in the amount of \$102,500.00. Q2- The District has fulfilled requirements of Interagency Agreement (IAA) No. C2300086.	James/Kristin	Ongoing
2.4	Property Acquisitions			
2.4.1	Brinnon Substation	Q1- Kristin & Katie looking at possible CERB funding to support this project. Katie had a meeting with CERB on a \$5 million loan with 25% loan forgiveness and got the steps together to submit an abstract proposal to CERB. Once Pleasant Harbor development is moving forward, we can apply for this with a reimbursement agreement with The Statesman Group for the rest of the loan. Part of this funding will assist in site selection and procurement in Brinnon. Q2- Looking at options to expand capacity at Duckabush rather than construction Brinnon right now. On hold. Q3- The Statesman Group has not made any additional contact so far this year. This will be on hold until they're ready to proceed and initiate engineering. Done for 2023.	Kristin/James/Rob	When ready
2.4.2	Bay East	Q1- Completed. Property has been secured.	Kristin/Brandy/Rob	Q1
2.4.3	Viewcrest Beach	Q1-Nothing to report this quarter. Q2-Nothing to report this quarter. Q3- Looking for property and will budget in 2024.	Brandy/Rob	When ready
3.0	Org Development			
3.1	Continue to Implement training plan			
3.1.1	Succession Planning	Q1- We have two retirements occurring in September. Have onboarded a temp early to see how they do and if they're a long term fit. Will likely not fill the admin position in 2023's budget. Q2- Began bid process for represented positions for impending retirement. Rich is developing training manual for new purchaser. Q3- All bids and new hires are done. Training schedules are set.	Staff	Ongoing
3.1.2	Training Program for all employees- include in annual budget	Q1- Lisa & Katie attended the NISC NW Users Group Meeting, LJ and Mike Rose attended Voltage Regulator training through Specialty Engineering, Katie & Brandy attended CB Training. James attended Distribution Engineering training through NWPPA. Q2- Trish attended a BPA conservation conference. Katie attended LERG conference. Had Brady Hanson grounding class at the shop and invited PUD 3. Barney and Rich both got water CEUs through ERWOW. Water techs attended water conference for CEUs. James completed the Distribution Engineering Series. Joyce participated in NISC training webinar for AP processing. Q3- Lisa attended NISC MIC conference, Joyce did iVUE Webex on work orders and A/P, Cassandra went to a customer service training, TJ, Jordan and Brandy all	Staff	Q3

		attended the WPUA Water Workshop, crews did pole top rescue, confined space and vault training as well as trenching/shoring training.		
3.1.3	NWPPA- Rigging & Operations Class in-house	Q1- Nothing to report for Q1. Q2- Earliest available date was 2024, Move to Q1 2024. Q3- Completed and on schedule for 2024.	Matt	Q3
3.1.4	Budget for tuition reimbursement and trainings	Q1- Nothing to report this quarter. Q2- Nothing to report this quarter. Q3- Will be done in budget process in Q4.	Kristin/Katie/Brandy	Q3
3.1.5	Apprentices	Q1- Rudy & LJ both attended Camp Rilea in Feb & March. Internal evaluations complete, evaluation review and progress meeting scheduled. Q2- Held apprentice evaluations based on feedback from Rilea. They both moved to their next steps. Q3- Held apprentice evaluations based on feedback from Rilea and crew. They both moved to their next steps. Started Saturday School at Grays Harbor College. Kobe to start water apprenticeship training at ERWOW.	Kristin/Matt	As necessary
3.1.6	Add Brady Hansen grounding class	Q1- Class scheduled on site at PUD 1 on 5/22/23. Will invite other utilities to participate. Q2- Completed. Held in shop with PUD 3 invited.	Matt	Q2
3.1.7	Start GIS Academy with local partners	Q1- Kristin working with NMHS on career academy. Looking for instructor. Also had meeting with superintendent for Shelton School District to see if it fits in their curriculum options. Q2- Kristin met with Wyeth Jessee at SSD to discuss including GIS at CEDAR High School. Meeting with MMK in Q3 as part of Recompete application. Q3- This will be moved to tbd. Not able to find instructor to lead this class. Still on radar for RECOMPETE possibly.	Kristin	When ready
3.1.8	Cross Training for Essential Functions	Q1-Cross training in office has continued each month for essential functions. Q2- Julie working with Lisa on solar processes. Q3- Office functions are being practiced and getting ready for when Julie leaves. Julie will work part time in Q4 to train the new CSR.	Staff	All Qs
3.1.9	Update trainings process manuals	Q1- Training process manuals are continuously improving as cross-training occurs, and processes change. Q2- New processes are documented and updated as cross-training occurs. This is on-going each month. Q3- Office tasks have been updated for new hire training. New BPA rebate training and manual completed too.	Staff	All Qs
3.2	Continue Partnerships to Accomplish Work Goals & Highlight Achievements			
3.2.1	Other utilities, private sector, county/governmental agencies, nonprofits & tribes	Q1- Worked with Wave, Lumen and HCC to relocate pole attachments as part of the pole replacement project. Q2- Working with Skokomish Tribe on grant applications. Working with public/private sectors on ReCompete application through EDC and Mason County. Q3- Kristin and Katie met with Skokomish Tribe to get BPA conservation dollars utilized at the Casino, tribal housing and tribal offices. BPA met onsite with tribal leadership to do a walk through and estimate. Brandy and Kristin met with Skokomish construction project manager to discuss possible wholesale water tap	Kristin	All Qs

		on 101 for Minerva Terrace. Kristin continuing on RECOMPETE committee and application for Mason County was submitted Q3 for \$55 million.		
3.3	Safety			
3.3.1	Practice the Emergency Response Plan	Q1- Matt has updated the plan for Q1 with new information. Life Flight flew into the PUD on March 16 as part of our safety Mayday exercise and training. Q2- Nothing to report this quarter. Q3- will do a tabletop with the Great Washington Shakeout drill in October.	Staff/John Spain	Q3
3.3.1.1	Great Washington Shakeout	Q1- Nothing to report this quarter. Q2- Cassandra will be the point person for this in 2023. Q3- Will be in October.	Staff	Q3
3.3.2	Redesign & Practice the Mayday Response with new crew & office staff	Q1- Mayday procedure completed. Life Flight flew into the PUD on March 16 as part of our safety Mayday exercise and training. Closed the office from 2-4 so all employees could participate.	Matt/Kristin/Katie/John Spain	Q1
3.3.3	Conduct an office-specific training/meeting	Q1 – office specific training has been scheduled for mid- year. Also participated in the Mayday Response training with office staff and radio / emergency call-out protocol. Q2- Staff participated in De-escalation Training in June. Q3- Office staffing was low so this was moved to Q4.	Katie	Q3
3.3.3.1	Panic-alarm testing	Q1 – Nothing to report this quarter. Q2- Alarms will be tested in July. Q3- Completed.	Katie	Q2
3.3.3.2	Fire extinguisher testing	Q1 – All employees received training and all fire extinguishers (buildings and trucks) were tested, charged, or replaced as needed. Annual stickers were updated. Complete	Matt/Katie/John Spain	Q2
3.3.3.3	Active Shooter training	Q1- Nothing to report this quarter. Q2-Nothing to report this quarter. This will occur in the Fall.	Katie	Q4
3.3.3.4	De-escalation Training	Q1- Nothing to report this quarter. Q2-Completed in June 2023.	Katie	Q4
3.3.4	Offer recerts on CPR/1 st Aid	Q1- Nothing to report this quarter. Q2- Nothing to report this quarter. Q3- Nothing to report this quarter. This class is held in December.	Matt/John Spain	Q4
3.4	Continue IT module roll--outs			
3.4.1	Meter Reading	Q1 – Completed. Went live with new mobile meter reading process and it's working well.	Katie	Q1
3.4.2	Bill Print Redesign – go live in January 2023	Q1- Completed. New bill design went live. Also redesigned the DQ 1 and 2 notices.	Katie	Q1
3.4.2.1	Create schedule of monthly/quarterly messaging/promotions to customer and artwork	Q1- Nothing to report. Q2- Utilizing 2&3 Q messaging for social media and newsletter. Q3- Nothing to report this quarter.	Kristin	Q1
3.4.3	Other process improvements	Q1- Nothing to report. Q2- Started auto-upload of specific check -free / wire payments to increase efficiency for Customer Service. Q3- Engineering created new customer packet and updated design standards and policies.	Staff	Ongoing
3.5	Technology Plan			

3.5.1	Continue to Implement the AMI Plan	Q1- Looking for federal grant funding for this project. Have a project abstract and budget created. Need fiber buildout to occur in Brinnon to support this project. Q2- All of these are on hold until funding materializes.	Kristin/Summer	Q4
3.5.1.1	Seek Funding	Q1- Looking for federal grant funding for this project. Q2- Not ready to begin.	Kristin/Summer	When available
3.5.1.2	Setup AMI committee	Q1- Not ready to begin. Q2- Not ready to begin.	Kristin/Summer	When ready
3.5.1.3	List of utilities to talk to	Q1- Not ready to begin. Q2- Not ready to begin.	Kristin/Summer	When ready
3.5.1.4	Setup meetings with vendors	Q1- Not ready to begin. Q2- Not ready to begin.	Kristin/Summer	When ready
3.5.1.5	Estimate timeframe and budget	Q1- Not ready to begin. Q2- Not ready to begin.	Kristin/Summer	When ready
3.5.1.6	Vendor contractor install or in-house install	Q1- Not ready to begin. Q2- Not ready to begin.	Kristin/Summer	When ready
3.5.1.7	Rollout implementation plan	Q1- Not ready to begin. Q2- Not ready to begin.	Kristin/Summer	When ready
3.5.2	SCADA	Q1- Not ready to begin. Q2- Not ready to begin.	Kristin/James/Matt	When ready. Funding dependent.
3.5.2.1	Include SCADA at all new subs	Q1- Designing Manzanita for SCADA system but may have to delay installation if substation construction is over budget. Will have substation ready to plug-and-play at future date. Q2- Getting a quote from POWER for Manzanita. Q3- Included in design for Manzanita.	Kristin/James/Matt	When ready. Funding dependent.
3.5.3	BPA Conservation Funding	Q1- BPA offered to assist with end of line meters. Will use conservation dollars for cost share. Q2- Decided due to cost and priorities to not use conservation dollars for this project. Will reevaluate in future years.	James	
3.5.4	Quotes for new Phone System- (Added 5/23)	Q2- Asked Lisa to request recommendations from current phone support contractor. Will work on an RFP so we can get quotes to budget for 2024. Q3- Kristin sent out RFP. Will select and budget for 2024.	Katie	Q4
3.5.3.1	Distribution Transformer Rebates	Q1-Benefit/ cost ratio is not conducive to the District. Will not be moving forward.	James	
3.5.3.2	Protection Equipment	Q1- Had meeting with various reclosure vendors, more scheduled. Identified locations for replacement and added protections. Need FEMA grant to be available for funding. Q2- Locations identified, waiting funding from FEMA. Q3- Still waiting for FEMA. Added new triple/single for Duckabush south circuit. Did a hard reset on the T3 annunciator. All faults will be current in Q4.	James/Matt	
3.5.3.3	Have David do the BPA chart to track for efficiencies	Q1- James has been on a monthly call with BPA to implement Conservation voltage reduction practices/ reporting.	James	Ongoing
3.5.3.4	End of line monitoring	Q1- Received quote for Eaton IQ35. Will budget for 2 meters in 2024	James	
3.6	Records Management			
3.6.1	Annual Scanning	Q1- Nothing to report this quarter. Q2- Nothing to report this quarter. Will move records after audit. Q3- Nothing new to scan. Records will be moved now that audit is over.	Julie	Q4

3.6.2	Add recorded training to new hire onboarding	Q1 – Recording is ready for new hires – none in 1 st Qtr 2023. Q2 – No new hires in 2 nd Qtr. Q3- will do in onboarding meeting in Q4 for new hires.	Katie	Q1
3.7	Go Paperless! Campaign	Q1- Nothing to report this quarter. Q2- First notice has gone out in Summer newsletter. Q3- Credits to be billed in October.	Kristin	Q3
3.8	Grow Conservation Program		Kristin	
3.8.1	Continue toward 200 streetlights replaced each year	Q1- Replaced 7 as of March 20, asked front office for updated list of remaining HPS light that need replaced. Q2- Received updated list from front office, working on completing those on record and will be complete with known HPS lights. Q3- This is mostly cleaned up. Less than 200 lights left. Will knock the rest of them out routinely over the next two years.	Matt	Q4
3.8.2	School Partnerships – lighting, EV’s	Q1 Progress- Trish made contact with Hood Canal School and is setting up a meeting to go over their lighting retrofit needs and develop a phased budget to take advantage of rebates. Q2- Kristin and Katie met with Skokomish Tribe on possible conservation partnership for energy efficient upgrades on tribal housing and offices. Q3- BPA did a walk-thru with the tribe on their lighting and Katie will reach out to the schools for the next funding cycle.	Trish	Q4
3.8.3	Items for Customer Appreciation Event/Public Power Week	Q1- Julie purchased PUD travel blankets for the giveaways at the next customer appreciation event during Public Power Week. Q2- Nothing new to report this quarter. Q3- Ordered and arrived. Ready for October 6.	Julie	Q3
3.8.4	Roll out comprehensive Weatherization Program w/CAC and BPA	Q1 – Nothing to report this quarter. Q2 – Trish is working with BPA to create the program. Will have ready July. Q3- CAC is backlogged on this. Will have to get a plan together in 2024 to communicate the waiting list and ask them what they’re comfortable adding to the queue.	Trish/Katie	Q2
3.8.5	Utilize BPA staff for project management, implementation and materials	Q1 – Trish has been in communication with Melissa to assist with implementation of new measures and upcoming changes to existing measures / rebates. Q2 – Trish worked with BPA to create marketing material on existing rebates / measures. This is available on the website now and going out to customers when they request information. Q3- Utilized the BPA QR code for thermostats.	Trish/Katie	Q2
3.8.6	Update page on website to make more user friendly with information on current rebate offerings etc.	Q1 – Nothing to report this quarter. Q2 – In progress. Updated listed of offerings is complete. Q3- Nothing to report this quarter.	Trish	Q2
3.8.7	Low Income Conservation Program information to customers and on website	Q1 – Nothing to report this quarter. Q2 – In progress. Working with CAC to determine what this looks like. Q3- Nothing to report this quarter. Will move this to 2024 after meeting with CAC.	Trish	Q2
3.8.8	Social Media push on rebates/newsletter information	Q1 – Nothing to report this quarter. Q2 – Will start this in July. Q3- Put on October’s bills and will go through December.	Julie/Trish	Q2

3.9	Continue Canal Comfort Fund Drive	Q1- Nothing to report this quarter. Q2- Nothing to report this quarter. Q3- Will start in December.	Julie/Lisa	Q4
3.10	Cyber Security / Fraud Awareness			
3.10.1	Check in Quarterly on phishing scams tips / tricks	Q1- Nothing to report this quarter. Kristin learned that state Emergency Management office has partnered with SPSCC on penetration testing that she will look into for later this year. Q2 – Nothing to report this quarter. Q3- Katie to work with HCC on developing a plan for 2024.	Kristin/Katie	Ongoing
3.10.2	Schedule penetration testing with ENW or HCC?	Q1- Nothing to report this quarter. Kristin learned that state Emergency Management office has partnered with SPSCC on penetration testing that she will look into for later this year. Q2 – Nothing to report this quarter. Q3- Katie to work with HCC on developing a plan for 2024.	Kristin/Katie	Q3
3.14	Continue HR & Employee Relations Functions			
3.14.1	Hold benefits meeting/workshops with employees as needed; i.e. open enrollment	Q1- Nothing to report this quarter. Q2- Open enrollment info provided for Colonial Life / Aflac in June. Q3- Reduced incentive advertised along with changes to DCP.	Katie	Q3
3.14.2	Employee Picnic	Q1- Scheduled for July 7th. Q2- Scheduled for July 7th.	Julie	Q2
3.14.3	Service Awards	Q1- Nothing to report this quarter. Scheduled for July 7.	Julie	Q2
3.14.4	Two potluck events in-house	Q1- We held an office potluck for Super Bowl Sunday. Q2- Nothing to report this quarter. Q3- Held potluck in September.	Kristin/Katie	As needed
3.14.5	Customer Appreciation Event	Q1- Scheduled for October 6. Q2- Nothing to report this quarter. Q3- On schedule for October 6. Ready to go.	Julie	Q3
3.14.6	Hire Temporary Crew for Summer	Q1- First temp started in March to help water department. Will plan to hire 3-4 more in June. Q2- Have two temps working so far. Will evaluate if we need more. Q3- Completed.	Kristin/Katie	Q2
3.15	Public Involvement			
3.15.1	Career Day	Q1- Nothing to report this quarter. Q2- Nothing to report this quarter. Q3- Will attend in November.	Joyce	Q4
3.15.2	Parades	Q1- Nothing to report this quarter. Q2- Nothing to report this quarter. Staff wasn't available to drive truck this year. Q3- Will do Christmas parade if staff is available.	Kristin	Q2 & Q4
3.16.3	Public Power Week	Q1- Nothing to report this quarter. Q2- Nothing to report this quarter. Q3- Ready for this in coordination with our October 6 event.	Kristin	Q4

3.16.4	EDC	Q1- Kristin working with the EDC on the RECOMPETE Act application for Mason County. If selected \$20 million in federal investment will be made in the county on various projects. Q2- Kristin working with EDC and Mason County on RECOMPETE. Hired a consultant and grant writer. Identifying partners to join. Q3- Kristin on committee for RECOMPETE.	Kristin	All Qs
3.16.5	Kiwanis	Q1- Katie and Kristin attending KristmasTown Kiwanis meetings as time allows. Signed up to volunteer at next fundraiser in May. Kristin did a presentation for the Salish Sea Rotary in February on what’s happening at PUD 1. Q2- Katie and Kristin attending meetings and volunteered at fundraisers. Q3- Kristin and Katie attended meetings. Offered to help write grants for tourism.	Kristin/Katie	All Qs
3.16	Easements			
3.16.1	Purchase road property from customer at Star White for future easements	Q1- This is on hold until the owner-partners can agree on a Quit Claim Deed or some other mechanism to deed it over to the PUD. The survey and preliminary appraisal are done. Q2- Completed. PUD has title to the road.	Kristin/Rob/Brandy	Q1
3.16.2	Union Ridge	Q1 – Nothing to report this quarter. Q2- Working with customer to secure easement on Skyview and 2 nd St. Q3- No response from customers on easement. Rob and Kristin will reach out and then we’ll come up with a Plan B.	Brandy/Rob	
3.16.3	Highland Park to Manzanita	Q1 – Nothing to report this quarter. Q2 - Nothing to report this quarter. Q3- No response from customers on easement. Rob and Kristin will reach out and then we’ll come up with a Plan B.	Brandy/Rob	
3.16.4	Colony Surf (Larry Codiga)	Q1- Larry Codiga will provide easement by the end of Q2. Q2- Easement was received and recoded August 22, 2023	James/Rob	Q2
4.0	Water			
4.1	Engage on issues that impact our water business			
4.1.1	Foster Task Force/WWUC Water Rights Committee	Q1- WPUDA supported legislation based on the Foster Task Force recommendations. Kristin and Brandy continue to stay apprised of most recent changes or developments on Ecology policy changes and the task force bill. Q2- Attending Policy 2030 comment meetings with WWUC and WPUDA. Q3- Kristin attending the water rights committee meetings. WPUDA, WWUC and WSWD all submitted comments to Ecology.	Kristin/Brandy	Qs 1 & 2
4.1.2	WWUC	Q1- Brandy attending WWUC meetings. Kristin and Brandy continue to stay apprised of most recent changes or developments on Ecology policy changes and the task force bill. Q2- Brandy and sometimes Kristin attending the meetings. Kristin attending the water rights portions mainly. Continuing to keep apprised of status of interlocal agreements between state agencies and the tribes as well as Policy 2030 changes. Q3- Kristin and Brandy attending meetings and subcommittee meetings.	Brandy/Kristin	All Qs

4.1.3	Mason County Comp Plan	<p>Q1- Kristin met with Mason County in March about the status of the Comp Plan. They are hiring a consultant and will begin engaging in June for a re-write. Kristin agreed to revisit the text on utilities.</p> <p>Q2- Kristin meeting with county and city officials regularly on this. Will meet with the consultant in Q3. Met with Sarah Mack regarding land use implications and what approach water purveyors should be taking holistically as water planning intersects with the Comp Plan.</p> <p>Q3- Kristin regularly meeting with City and County on joint consultant.</p>	Kristin	All Qs
4.1.4	WPUDA culvert removal funding workgroup	<p>Q1- Kristin had meeting with WPUDA, other utilities, and 24th district legislators on culvert replacements that are causing a large price tag for utility relocations to accommodate the removals. There's still mixed messaging with some legislators saying we should raise rates to cover our portion of the expenses and others believing that the funding that the legislator put to WSDOT that isn't restricted gas tax funding should be used to help offset the relocation costs for utilities. At last meeting, there was a small possibility that a portion of the \$10-12 million may be funded this session.</p> <p>Q2- Kristin continuing to work with WPUDA on this. Requested meeting with WSDOT leadership for relocation assurance for Duckabush prior to it going to out bid. Will likely set the stage for other utilities throughout the state with regard to utility relocations for fish passage.</p> <p>Q3- No action on this in Q3. Will look to WPUDA for coordination for session.</p>	Kristin/Brandy	All Qs
4.4.5	WPUDA water committee & leg committee	<p>Q1- Mike continues to chair water committee and he, Brandy and Kristin continue to provide feedback on agenda items and roundtable. Mike, Jack and Kristin attend the leg committee meetings. Kristin went to DC with WPUDA to lobby the federal delegation in February on federal issues impacting PUDs.</p> <p>Q2- Kristin attended NWPPA leg rally in DC on mostly power issues, but also working with WPUDA on local water leg issues. Working with WPUDA on comments for rulemaking with L&I for heat exposure and prevailing wage for pipe fitters. Working with PPC for testimony on BPA rate case and CEQ dam removal public outreach. Brandy and Mike serving on WPUDA water workshop planning committee.</p> <p>Q3- Brandy and Mike on planning committee and attending workshop. Kristin submitting topics for roundtable meetings.</p>	Kristin/Mike Sheetz/Brandy	All Qs
4.2	Consolidation			
4.2.1	Complete Twanoh Water system Project List & seek funding	<p>Q1- Nothing to report this quarter.</p> <p>Q2- Nothing to report this quarter.</p> <p>Q3- Moved to 2024. Water system plan will be submitted and approved next year.</p>	James/Brandy	2024
4.2.1.a	Work with local internet providers to help advance fiber into the community	<p>Q1- Nothing to report this quarter.</p> <p>Q2- Hood Canal shared trench at E. Westwood Way. They will share trenching in Q3 at Canal View and Union mainline.</p>	Staff	2024
4.2.2	Bay East & Totten	<p>Q1- Nothing to report this quarter.</p> <p>Q2- Will not move forward for now. Will need to possibly update place of use for Bay East water right, it currently will only serve Bay East Development.</p>	James/Brandy	Q4
4.2.3	Bellwood A & B	<p>Q1- Nothing to report this quarter.</p> <p>Q2- Nothing to report this quarter.</p>	James/Brandy	2024

4.3	Acquisitions			
4.3.1	Bo Ginn Water System	Q1 – Waiting on owner to send over purchase and sales agreement. Q2 – Nothing to report this quarter. Q3- Nothing to report this quarter. Waiting on community to decide.	Brandy/Kristin/Rob	Q1
4.3.2	Tillicum Beach	Q1 – Nothing to report this quarter. Q2 – HOA has been in talks and are still disusing among the community. Q3- Nothing to report this quarter. Waiting on community to decide.	Brandy/Kristin/Rob	Ongoing
4.3.3	Hipma	Q1 – Nothing to report this quarter. Q2 – Nothing to report this quarter. Q3- Nothing to report this quarter. Waiting on community to decide.	Brandy/Kristin/Rob	Ongoing
4.3.4	Star Lake	Q1 – Nothing to report this quarter. Q2 – Nothing to report this quarter. Q3- Nothing to report this quarter. Waiting on community to decide.	Brandy/Kristin/Rob	Ongoing
4.4	General Maintenance/CIP			
4.4.1	Well Houses	Q1 – Nothing to report this quarter. Q2- Nothing to report this quarter. Q3- Tiger Lakes and Woodland finished.	TJ/Brandy	All Q’s
4.4.1.1	Holiday Beach upgrade electrical panel	Q1 – Nothing to report this quarter. Q2 – Bright Knight Electric upgraded the panel in June. Completed	TJ/Brandy	Q1
4.4.1.2	Tiger Lake – finish well house improvements	Q1 – Building has been rebuilt and re-roof has been completed. Q2 – Nothing to report this quarter. Q3- Completed.	TJ/Brandy	Q2
4.4.1.3	Two Jackies rebuild well house	Q1 – Nothing to report this quarter. Q2 – Nothing to report this quarter. Moved to 2024.	TJ/Brandy	2024
4.4.1.4	Woodland Manor, replace captive air tanks with bladder tanks, reinsulate, and cover walls with plywood	Q1 – Nothing to report this quarter. Q2 – Captive air tanks removed, bladder tanks install, one wall has been rebuilt. Q3- Completed.	TJ/Brandy	Q4
4.4.1.2	Replace Booster Pumps	Q1- Nothing to report this quarter. Q2- Replaced Lakewood Heights, Madrona Park, Holiday View 2, and Canal View Q3- Nothing to report.	TJ/Brandy	Q1-Q2
4.4.1.2.1	Harstene Retreat	Q1 - Completed	TJ/Brandy	Q1
4.4.1.2.2	Island Lake Manor	Q1 – Nothing to report this quarter. Q2 – Nothing to report this quarter. Q3- Pressure switch replaced and replumbed. Completed.	TJ/Brandy	Q2
4.4.1.3	Distribution Improvements	Q3- Union A/C mainline project completed.	TJ/Brandy	All Q’s
4.4.1.3.1	Alderbrook AC on E Westwood Ln W	Q1 – Project has been started, should be done mid April Q2 - Completed	TJ/Brandy	Q1-Q2
4.4.1.3.2	Union AC on Alderney St and 5th St	Q1 – Nothing to report this quarter. Q2 – Nothing to report this quarter. Q3- Completed.	TJ/Brandy	Q2
4.4.1.3.3	BayEast – install blowoff at the end of Low Rd	Q1 – Nothing to report this quarter. Q2 – Nothing to report this quarter. Q3- Nothing to report this quarter.	TJ/Brandy	Q3

4.4.1.3.4	Cherry Park – Install isolation valve	Q1 – Nothing to report this quarter. Q2 – Nothing to report this quarter. Q3- Nothing to report this quarter.	TJ/Brandy	Q4
4.4.1.3.5	Highland Estates install isolation valve	Q1 – Nothing to report this quarter. Q2 – Nothing to report this quarter. Q3- Nothing to report this quarter.	TJ/Brandy	Q4
4.4.1.3.6	Bay East Manganese	Q1 – DWSRF awarded 85% subsidy for \$682k and 100% for \$139,100. Contracts are signed. Gray and Osborne will be providing a proposal for the design. Q2 – Gray and Osborne working on the design. Mountain 2 Coast working on BLA. Q3- Design is still underway. MTC is doing the topographic survey and Insight is doing the geotechnical.	Brandy/TJ/James	All Q's
4.4.1.3.7	Generators/Water Trees	Q1 – Nothing to report this quarter regarding grant funding. Generator installs for Canyonwood and Harstine Retreat were awarded in February. Q2 – Nothing to report this quarter. Q3- 2 generators installed. Completed.	Katie/Brandy	All Q's
4.4.1.3.8	Highland Park – Gray and Osborne design reservoirs, booster station, and retention pond at Manzanita Campus	Q1- Additional survey was completed in Q1. G&O has submitted predesign. Gray and Osborne working on design. Q2 – Nothing to report this quarter. Q3- This is at 90% design now.	James/ Brandy	
4.4.1.3.9	Seismic Valves	Q1 – Nothing to report this quarter. Q2 – Nothing to report this quarter. Q3- Waiting on BRIC.	Katie/Brandy	All Q's
4.4.1.3.10	Twano Heights – decommission well	Q1 – Nothing to report this quarter. Q2 – Nothing to report this quarter. Q3- Will be moved to 2024.	James/TJ/Brandy	2024
4.4.1.3.11	Totten Estates I & II – install new well pumps and a cover over controls	Q1- Well pumps replaced in January. Q2- Bladder tanks installed to service water connections. Completed.	TJ/Brandy	Q1
4.4.2	Identify any needed tools and resources we need to get the work done	Q1 – Purchased tools for new truck. Q2 – Nothing to report this quarter. Q3- Purchased new thumper, new snap cutter and crimper.	Staff	As necessary
4.4.2.1	Locator	Q1 – Purchased at the end of 2022	TJ/Brandy	Q1
4.4.2.2	Fusion Welder	Q1 – Will not be purchasing, cost is too high for how much it would get used.	TJ/Brandy	Q2
4.4.3	Well House Painting			
4.4.3.1	Bo-Ginn	Q1 – Nothing to report this quarter. Q2 – Nothing to report this quarter. Q3- Nothing to report this quarter.	TJ/Brandy	Q3
4.4.3.2	Lakewood	Q1 – Nothing to report this quarter. Q2 – Completed.	TJ/Brandy	Q3
4.4.3.3	Tiger Lake	Q1 – Completed.	TJ/Brandy	Q3
4.4.3.4	Two Jackies	Q1 – Nothing to report this quarter. Q2 – Nothing to report this quarter. Q3- Moved to 2024.	TJ/Brandy	2024
4.4.4	Generators – Canyonwood Beach and Lakewood Heights	Q1- Bid awarded in March. Will be installed by end of 2023.	TJ/Brandy/James	Q2

		Q2 – Generators ordered. Q3- Completed.		
4.4.5	Reservoir Cleaning & Inspection- BelAire Cove, Bellwood A, Highland Park and Madrona Park	Q1 – Bid’s received at the end of March, apparent lowest bidder is Inland Potable Q2 – Reservoirs cleaned in June. Completed.	Brandy	Q3
4.4.6	Blackflow Device & CCC Campaign – Hood Canal	Q1 – Nothing to report this quarter. Q2 – Water techs identify any cross connections. Q3- Nothing to report this quarter.	Mary/Brandy	Q1
4.4.7	Water System Planning & Reports – Bellwood A	Q1- Nothing to report this quarter. Q2- Nothing to report this quarter. Q3- A capacity analysis will be conducted instead of a full WSP.	James/Brandy	Q3
4.5	Water Rights			
4.5.1	Ripplewood	Q1- Nothing to report this quarter. Q2- Nothing to report this quarter. Q3- Nothing to report this quarter. Aspect will be engaged in Q4.	Brandy/Aspect	Q3
4.5.2	Madrona Beach – Have Aspect do a review and make recommendations in a summary	Q1 – Nothing to report this quarter. Q2 – Nothing to report this quarter. Q3- Nothing to report this quarter. Aspect will be engaged in Q4.	Brandy/Aspect	Q3
4.6	Water Loss			
4.6.1	Lake Arrowhead	Q1 – Nothing to report this quarter. Q2 – Leak repaired in April. Q3- This is being rebuilt in phases now with the new funding. Completed for 2023.	TJ/Brandy	Q4
4.6.2	Union- A/C line rerouted	Q1 – Nothing to report this quarter. Q2 – Nothing to report this quarter. Q3- Completed.	TJ/Brandy	Q4
5.0	ELECTRIC			
5.1	Rebuilds- Capital Work Plan			
5.1.1.1	T3 TX Line (2023)	Q1- 4/0 reconductor complete	Matt/James for engineering	Q1
5.1.1.2	Love Rd (2023)	Q1 – Design complete, no construction activity Q2 – Scheduled for Q3. Q3- Conduit installed. Crew can pull in wire now as time allows.	Matt/James for engineering	Q3
5.1.1.3	Four Wheel Drive Rd (2023)	Q1 – Design complete, no construction activity Q2 – Contractor started digging and installing pipe late June, scheduled complete in early Q3. Q3- Conduit installed. Crew can pull in wire now as time allows.	Matt/James for engineering	Q3
5.1.1.4	Bee Mill – Eight Additional spans (2023)	Q1- Rebuild is completed. Waiting for warmer weather to take the outage and cut it over. Q2 – Outage is scheduled for August 3rd to energize new line and complete project. Q3	Matt/James for engineering	Q4
5.1.1.5	Seal Rock Rd. Brush & Design (2023)	Q1- ROW clearing plan in place, design in progress Q2 – District	Matt/James for engineering	Q4

		Q3- Design is completed. Will not brush until ready to rebuild. Having contractor supply quote to do one stretch this year. Will phase this out for several years similar to Bee Mill rebuild.		
5.1.1.6	Dips – Mason County (2023)	Q1- Design complete. Construction to take place in 2024. Q2 – Unlikely this job will go this year, either way we have design complete and material available Moving to Q3 Q3	Matt/James for engineering	Q2
5.1.1.7	N95L Tap (single OH) to Virginia St. & N. Mardell Ln- upgrade wire (2023) *FEMA Grant*	Q1- Design complete. Waiting for grant funding. Q2- Nothing to report this quarter. FEMA Items moved to 2024.	Matt/James for engineering	Q2
5.1.1.8	Upper end of Finch Creek single phase (2023) *FEMA Grant*	Q1- Design complete. Waiting for grant funding Q2 – Completed some tree trimming and set 2 poles, will complete in Q3. Q3- Completed.	Matt/James for engineering	Q4
5.1.1.9	101 & 106 Intersection on Hillside to Sunnyside Rd (TRIM in 2023)	Q1- Nothing to report this quarter. Q2 – Nothing to report this quarter. Q3- Will move this to 2024 if Kemp West can’t do it in 2023.	Matt/James for engineering	2024
5.1.1.10	Robinson Rd to Post Office 3PH URD (2024) *FEMA Grant*- Contract Work			
5.1.1.11	Webster Lane single phase (2024)			
5.1.1.12	Triton Head Dr. single phase (2024)			
5.1.1.13	Bow Tree Lane single phase (2024)			
5.1.1.14	Hama Hama Rec Rd single OH (2024) *FEMA Grant*			
5.1.1.15	Bottom of Hama Ridge Rd single OH (2024) *FEMA Grant*			
5.1.1.16	N206L Tap (OH) to Shar Lane single *FEMA Grant*			
5.1.1.17	Eagle Creek Rd. single OH *FEMA Grant*			
5.1.1.18	Indian Beach (single OH) to N133 R Tap *FEMA Grant*			
5.1.1.19	N44L Tap single phase			
5.1.1.20	Lake Surf Dr. Colony Surf *FEMA Grant*			
5.1.1.21	Eldon to Duckabush Reconductor *FEMA Grant*- Contract Work			
5.1.1.22	S25 to S77 Skokomish 101 Reconductor *FEMA Grant*- Contract Work			
5.1.1.23	N295 L Tap *FEMA Grant*			
5.1.2	Contracted Vegetation Management			
5.1.2.1	MP 319-314 Eldon (2023)	Q1- RFP was issued to prequalified electrical contractors in March. Bids due in April. Q2- Contract was awarded to Kemp West, Inc and scheduled to begin Q3. Q3- In progress. Will be done in Q4 along with danger tree removal.	James/Contractor	Q4
5.1.2.2	MP 314-308 (2024)			

5.1.2.3	MP 308-302 (2025)			
5.1.2.4	MP 302-300 Bee Mill (2026)			
5.1.2.5	MP 320-327 (2027)			
5.1.2.6	MP 328-337 (2028)			
5.1.2.7	HWY 106 MP 2-11 (2029)			
5.1.3	In-house Vegetation Management			
5.1.3.1	N459	Q1- Nothing to report this quarter. Q2- Scheduled for Q3. Q3- About 30% done. Will keep working on it until end of the year as schedule permits.	Matt	All Qs
5.1.3.2	N386	Q1- Nothing to report this quarter. Q2- Scheduled for Q3. Q3- Nothing to report this quarter.	Matt	All Qs
5.1.3.3	Webster Lane	Q1- Nothing to report this quarter. Q2- Scheduled for Q3. Q3- Nothing to report this quarter.	Matt	All Qs
5.1.3.4	N206 Shar Lane	Q1- Nothing to report this quarter. Q2- Scheduled for Q3. Q3- Nothing to report this quarter.	Matt	All Qs
5.1.3.5	N55 Finch Creek	Q1- Nothing to report this quarter. Q2 – Completed as part of Finch Creek reconductor.	Matt	All Qs
5.1.3.6	HWY 101 x HWY 106 Southbound	Q1- Cleared some trees over line, working on renting taller aerial lift to complete. Q2 – Completed Hot Spot, working on contractor with taller bucket to clear. Q3- Will ask Kemp West to quote this in Q4.	Matt	All Qs
5.1.3.7	Other areas as necessary	Q1 – 75% complete with ROW clearing on hi storm outage area on Duckabush Rd., moving to hot spot trim hi storm outage area on Dosewallips early Q2. Q2 – Completed upper end of Duckabush ROW clear, contractor are working Dosewallips as needed for new pole heights on fiber project. Q3- Sunnyside Road., Hwy 101 south of shop and north up to Eldon where the contractors started, Warren Drive. All hot spot trimming as necessary.	Matt	All Qs
5.1.4	Complete the USFS Operating Permits	Q1- Completed and submitted. Waiting for it to be processed and approved. Q2- Approved.	Kristin	Q1
5.2.1	Manzanita Substation		James/POWER/Kristin	
5.2.1.1	Distribution Circuit Breaker/Recloser Spec., Quotation, Evaluation, & PO	Q1- Completed.	James/POWER/Kristin	
5.2.1.2	Site Plan & Site Work Bid document	Q1- In progress. Q2- In progress. Site plan will be complete Q3. Q3- Completed. Will be put out to bid in Q4.	James/POWER/Kristin	
5.2.1.3	Station Material Package Spec, Quotation, Evaluation, & PO	Q1- Nothing to report this quarter. Q2- Some materials have been ordered now. Will have rest on order by end of Q4. Q3- The quote is out in Q3 and will issue the purchase order in Q4.	James/POWER/Kristin	

5.2.1.4	Station Design Completion & Prepare Bid Document Bid Document	Q1- Nothing to report this quarter. Q2- Dirt work to be bid in 2023. Bid packet for construction in 2024. Q3- Finishing packet. Will be bid next quarter.	James/POWER/Kristin	
5.2.2	Annual Substation Inspection & Maintenance Plan	Q1- Completed for this quarter. Incorporated Federated's list of tasks for inspections as well to the new protocol. Q2 – All substation and field equipment inspections are up to date thru June. Q3- Ongoing. Hoodsport regulators were maintained this quarter. Matt is building a new report for 2024 that will show projections for actions based on the data collected in the field.	Matt/James	All Qs
5.2.3	Pole Replacement Plan		James	
5.2.3.1	106	Q1- Received URD engineer's estimate of \$8.5 million. Will look at grants and at actual OH line & pole replacements too. Q2- James reviewed estimate to shave the cost down to \$6.8 million. Applying for grant for \$5 million from ERA program and BRIC program. Q3- Did not get invited to do full app for ERA but was invited for BRIC.	James	
5.2.3.2	Skok Valley	Q1- Nothing to report this quarter. Q2- Nothing to report this quarter. Q3- Matt is scheduling phases for this like at Bee Mill and Phase 1 will start in 2024. Materials ordered for 2024.	James	2024
5.2.3.3	Jefferson County/HCC fiber project	Q1- HCC's Brinnon broadband project moving forward. Pole replacement bid was awarded, and 156 poles will be replaced in Brinnon as part of HCC's grant funding. Jefferson County Commissioners dedicated \$100,000 in ARPA funds to support the project and Jefferson PUD pledged funding, supplies, and in-kind support to help the Brinnon buildout. PUD 1 had contractor quote to relocate pole attachments for 3 rd party attachers to consolidate efforts and get the telecom attachments moved quickly. Kristin attended a ribbon cutting at Eldon Store for HCC's wi-fi hotspot they installed as part of their Eldon fiber buildout. PUD 1's portion of the fiber has been hung and now the splicing will start before customers can connect in coming months. Q2- Jefferson PUD contributed \$30,000, in-kind engineering, and spools of fiber to the project. Will use their donation to connect Brinnon School District. Pole replacements have started on Duckabush Road. About 25% complete. Q3- Contractor more than 50% complete. Jefferson County contributed \$100k of ARPA funding. Should be done by end of the year.	James/Kristin/HCC	Q1
5.2.3.4	Replace EOL poles as identified	Q1- Nothing to report this quarter. Q3- 12 have been replaced so far by crew in 2023. Set annual goal of 10/year.	James	All Q's
5.2.3.5	Pole Inspection /Testing	Q1- Have bid packet ready. Waiting on this though because several of our poles are being replaced as part of the fiber installation in Eldon & Jefferson County. Have contracted engineer working on pole replacement plan for end of 106 and end of Skok Valley. After we get those replaced, we will regroup on what's left	James	

		in the field still to inspect/test. Do not want to waste money testing or inspecting poles that are slated to be replaced anyway in the next 1-3 years. Q2- Nothing new to report this quarter. Q3- On hold until all poles are replaced with grants. Packet completed and ready to put out in 2024.		
5.2.4	System Inspection for Infrared & Drone Inspections – Tidal Crossing	Q1- Marketed to prequalified electrical contractors. Q2 – Nothing to report this quarter. Q3- Will do climbing inspection as part of the underbuild project in 2024. Waiting for word on grant funding.	James/Matt	
5.2.4.1	Plant Fir Trees at Jorstad Sub site	Q1- Completed.	James/Matt	Q2
5.2.5	Install Gang Switches		Matt/James	
5.2.5.1	N220	Q1 – Nothing to report this quarter Q2 - Nothing to report this quarter Q3- Waiting on FEMA contract.	Matt/James	
5.2.5.2	N316	Q1 - Nothing to report this quarter Q2 - Nothing to report this quarter Q3- Waiting on FEMA contract.	Matt/James	
5.2.6	Install reclosure banks		Matt/James	
5.2.6.1	N459 (2023) *FEMA Grant*	Waiting for funding to be released. Moved to 2024.	Matt/James	
5.2.6.2	N377 (2023) *FEMA Grant*	Waiting for funding to be released. Moved to 2024.	Matt/James	
5.2.6.3	Duckabush Sub North *FEMA Grant*	Waiting for funding to be released. Moved to 2024.	Matt/James	
5.2.6.4	N544 (2024) *FEMA Grant*	Waiting for funding to be released. Moved to 2024.	Matt/James	
5.2.6.5	N595RI (2024) *FEMA Grant*	Waiting for funding to be released. Moved to 2024.	Matt/James	
5.3	Duckabush Utility Relocation Project			
5.3.1	Final Design	Q1- Completed. Waiting for HUD NEPA closeout to put this out to bid.	Kristin/James/Jeremiah	Q1
5.3.2	Environmental Review	Q1- Completed. Dept. Fish & Wildlife signed on as reviewing agency for HUD. This has been completed and they are submitting their invoicing for reimbursement. James will start local SEPA and Jeff Co. permitting.	Kristin/James/DFW/JeffCo.	Q2
5.3.3	Order Materials	This will start in late 2023/early 2024.	Kristin/James/Rich	2024
5.3.4	Bidding & Award Contract	This will occur in 2024.	Kristin/James	2024
5.3.5	Start Construction	This will occur in 2024.	Kristin/James	2024
5.4	Engage in Industry Associations that Support our Power Business			
5.4.1	WPUDA	Q1- Attended WPUDA’s legislative reception in January and PUD Day on the Hill in February. Kristin went to DC with WPUDA for APPA. Attending monthly association meetings. Mike is chairing Water Committee again this year.	Staff & Commissioners	All Qs

		<p>Q2- Brandy and Mike working with the water planning committee for the Water Workshop. Kristin submitting comments on L&I rulemaking for heat exposure and pipefitters.</p> <p>Q3- Brandy and Mike on water planning committee and attending the workshop. Kristin and Nicolas Garcia and Matt Samuelson working on Climate Commitment Act project.</p>		
5.4.2	PPC	<p>Q1- Kristin asked by Public Power Council to testify in the BPA’s pending BP-24 litigation hearings. Kristin and board attending PPC meetings.</p> <p>Q2- Kristin submitted testimony in the BPA-24 rate case. Also secured spot with CEQ Stakeholder process on LSRDs and Scott Simms is assisting with talking points to enter into the record in May. Submitted comments from commissioner to CEQ portal in June.</p> <p>Q3- Kristin submitted testimony on Columbia River Treaty stakeholder meeting and then again for a PPC-led presentation for federal delegates and utilities. Attending the monthly meetings.</p>	Kristin & Commissioners	All Qs
5.4.3	WPAG	<p>Q1- Kristin and commission attending WPAG meetings. Had separate meeting with Ryan Neale on 2028 contracts.</p> <p>Q2- Kristin attended a BPA stakeholder meeting at TPU re: 2028 Provider of Choice workshop. Attending WPAG meetings regularly.</p> <p>Q3- Board and Kristin attending virtual monthly meetings.</p>	Kristin & Commissioners	All Qs
5.4.4	NWPPA	<p>Q1- Kristin attending NWPPA’s policy & lobbying in WDC in May. Kristin & Commissioners attending annual meeting in Q2.</p> <p>Q2- Kristin attended NWPPA & NCPA’s Washington, D.C. rally and met with NW delegation on wildfire prevention and permitting reform, as well as defense production act funding for transformers. Mike & Kristin attended the annual conference in May.</p> <p>Q3- Kristin sat on CEO panel at NWPPA’s communications conference in September.</p>	Kristin & Commissioners	All Qs
5.4.5	BPA	<p>Q1- Staff had meeting with BPA transmission team regarding 2025 transmission line rebuild to come up with ways to reduce impacts to customers in Brinnon that are fed off of the Duckabush substation. BPA is replacing a switch to feed Duckabush from the north end to help eliminate some of the scheduled outages. PUD 1 insisted outages be short, overnight, and during warmer months to lessen impact on customers. Kristin and Katie met with BPA Power Account Exec regarding Provider of Choice questions on 2028 contracts and new large loads coming in at Duckabush. Kristin will testify in BP-24 litigation hearings on behalf of customers, discussing impacts BPA rates have on PUD 1 households.</p> <p>Q2- Kristin attended the Provider of Choice workshop in Tacoma. Kristin & James continuing meetings with BPA on substation construction & upgrades, as well as upcoming outages. Katie working on Low Density Discount calculations to see if we qualify this year.</p> <p>Q3- Kristin and Katie met with BPA on load forecasting. James and Matt and Kristin worked with BPA on successful Duckabush outage. Have a second one in October.</p>	Kristin & Commissioners	All Qs
5.5	Telecom-HCC Partnerships			
5.5.1	Complete CERB project	<p>Q1- Poles replaced. Fiber has been hung. Splicing starts Q2. Kristin did newsletter article on progress and directed customers to HCC site for pre-signup.</p>	Kristin/James/HCC	Q2

		Q2- Splicing complete and drops are installed to connect customers. Finalizing agreement with HCC for use of the open access network as well as maintenance agreement. Q3- Almost wrapped up. Customers connecting. Will close out in Q4.		
5.5.2	Pole Replacements for Jefferson County – Make Ready, Budget for Engineering	Q1- Completed for pole replacement project. If SBO awards another \$2 million for additional poles, we will enlist help of Jefferson PUD to get the rest of the engineering completed, as part of our interlocal agreement with JPUD for fiber in Brinnon.	James	Q1
5.5.3	Skokomish URD	Q1- Nothing to report this quarter. Q2- Design complete. This project was moved to 2024 by Mason Conservation District. Will revisit next year. MOVE to 2024.	James/Kristin/MC Public Works	Q2
5.5.4	Alderbrook URD	Q1- Nothing to report this quarter. Q2- Areas that need new electric conduit are identified. Will be installed this year. Water replaced E. Westwood Way water main. Q3- Brandy to set up a new meeting with the new GM at AGYC and HCC and PUD 1 to look at AGYC and HCC's 2024 capital work plan in Alderbrook development. All work at AGYC is done for 2023.	Brandy/HCC	Ongoing
5.5.5	Canal View Bore - Water	Q1- Nothing to report this quarter. Q2- Nothing to report this quarter. Q3- Waiting on bid to come back for this.	Brandy	
5.6	Pole Attachments			
5.6.1	Recalculate pole attachment rates	Q1- Nothing to report this quarter. Will wait until all the grant-funded pole replacements are completed and then will recalculate. Q2- Nothing to report this quarter. Q3- Will wait until 2024 when fiber project is completed and all the new poles are replaced.	Katie	2024
5.6.2	Improve pole attachment process for permit applications, notice of relocations, and abandonment	Q1- We've started a process for reviewing permit applications. None have been received in 2023 yet. Q2- Rob to send Lumen letter insisting they pay their back fees and rates. Q3- Lumen paid. Matt and Katie to work together on process for identifying and notifying violations.	Katie & Rick	Q1
5.6.3	Create contact list for partnerships in overhead to underground conversion projects	Q1- Nothing to report this quarter. Q2- Partnering with Lumen, Wave and HCC on pole replacements and attachment relocations. Partnering with HCC on 4 Wheel Drive Rd. Q3- This is ongoing with each project now. Completed.	Kristin/Katie	Q1
5.7	MISC.			
5.7.1	Continue more 3PH/CT Meter Audits	Q1- Nothing to report this quarter. Q2 – 6 Ct audits complete this quarter, more scheduled for July and Aug. Q3- Summer is scheduled for Q4 to use up the rest of the budget for this item.	Matt/Summer	Q3
5.7.2	Low wires – audit & notify attachers	Q1- Nothing to report this quarter. Q2- Katie notified Wave that the lines at Church Road and along 101 at Seamount need to be fixed. Q3- Matt notified Katie of several to be contacted.	Matt/Katie	All Qs
5.7.3	Get quote and set up meeting for power locate contractors	Q1- Vendor has been selected, finalizing contract language, planned start April 1	James/Matt	Q1

		Q2 – Mt View Locating Inc is on property and completing all regular hour locates		
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PUD1 – Executive Summary – August 2023

This report summarizes information on the current financial status of Mason County
PUD No. 1 for the month of August 2023:

- **Work in Progress:**
 - Grant Applications – Ongoing
 - 2019 / 2020 CETA Audit
 - 2022 Audit & Single Audit
 - 2024 Budget
- **Completed Projects:**
 - 2023 Budget
 - 2020 / 2021 Audit (Exit Conference January 2023)
 - 2022 Privilege Tax Return
 - 2022 Form 7 (Due 03/31/23)
 - 2022 EIA Report (Due 04/30/23)
 - 2022 Annual Report (Due 05/30/23)
- **Planned Key Milestones, Activities and / or Events:**
 - Long range financial and budgetary planning – ongoing.

Financial Highlights:

- Revenue – Gross Revenue was \$984,878 for the month of August 2023.
- Expenditures – Gross expenditures were \$914,642 for the month of August 2023.
- As of August 31, the PUD has \$680,863 in grant reimbursements outstanding for ongoing projects.

Financial Metrics as Compared with Prior Year:	August 2023	August 2022
Total General Cash and Investments	\$1,429,297	\$1,219,072
Current Ratio (Current Assets/Current Liabilities)	2.25 to 1	2.18 to 1
Debt Service Coverage (O&M/ Debt Service)	3.04	3.38
Long-Term Debt to Net Plant	30%	34%
Total Debt to Equity Ratio (Total Liabilities/Total Equity)	38%	46%
Long Term Debt to Equity Ratio (Long Term Debt / Total Equity)	35%	42%
Times Interest Earned Ratio (Earnings before Interest & Taxes/Total Interest)	4.13	5.26
Cash on Hand (Total Available Cash/Average Daily Costs)	55 Days (General) 190 Days (All Funds)	48 Days (General) 193 Days (All Funds)



Mason County PUD No 1

Budget Summary by Division For the Month Ended August 31, 2023

	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>	<u>Totals</u>
Total Revenue	\$ 702,042.91	\$ 281,777.23	\$ 1,057.78	\$ 984,877.92
Budgeted	\$ 718,379.00	\$ 257,399.31	\$ 989.93	\$ 976,768.24
Difference (-/+)	\$ (16,336.09)	\$ 24,377.92	\$ 67.85	\$ 8,109.68
% of Budget	98%	109%	107%	101%
 Total Expenditures	 \$ 713,248.45	 \$ 200,640.02	 \$ 753.82	 \$ 914,642.29
Budgeted	\$ 780,530.15	\$ 221,437.44	\$ 581.19	\$ 1,002,548.78
Difference (-/+)	\$ (67,281.70)	\$ (20,797.42)	\$ 172.63	\$ (87,906.49)
% of Budget	91%	91%	130%	91%
 Net Operating Margins	 \$ (11,205.54)	 \$ 81,137.21	 \$ 303.96	 \$ 70,235.63
Budgeted	\$ (62,151.15)	\$ 35,961.87	\$ 408.74	\$ (25,780.54)
Difference (-/+)	\$ 50,945.61	\$ 45,175.34	\$ (104.78)	\$ 96,016.17
% of Budget	18%	226%	74%	-272%



Mason County PUD No 1

Budget Summary by Division for the Eight Months Ended August 31, 2023

	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>	<u>Totals</u>
Total Revenue	\$ 7,678,449.00	\$ 1,967,025.89	\$ 8,429.99	\$ 9,653,904.88
2023 Budget	\$ 10,712,903.00	\$ 2,687,536.00	\$ 11,878.00	\$ 13,412,317.00
Difference (-/+)	\$ (3,034,454.00)	\$ (720,510.11)	\$ (3,448.01)	\$ (3,758,412.12)
% of Budget	72%	73%	71%	72%
 Total Expenditures	 \$ 6,718,049.64	 \$ 1,606,957.75	 \$ 5,138.82	 \$ 8,330,146.21
2023 Budget	\$ 10,173,191.93	\$ 2,493,753.55	\$ 9,360.00	\$ 12,676,305.48
Difference (-/+)	\$ (3,455,142.29)	\$ (886,795.80)	\$ (4,221.18)	\$ (4,346,159.27)
% of Budget	66%	64%	55%	66%
 Net Operating Margins	 \$ 960,399.36	 \$ 360,068.14	 \$ 3,291.17	 \$ 1,323,758.67
2023 Budget	\$ 539,711.07	\$ 193,782.45	\$ 2,518.00	\$ 736,011.52
Difference (-/+)	\$ 420,688.29	\$ 166,285.69	\$ 773.17	\$ 587,747.15
% of Budget	178%	186%	131%	180%

Cash Flow

Beginning Cash (General Fund)	71,824.92	89,776.32	4,195.20	165,796.44
Net Operating Margin (Excluding Depreciation)	2,454,454.43	891,716.56	3,291.17	3,349,462.16
Cash Transferred to / from Special Funds	(857,269.20)	(365,738.11)	(1,013.99)	(1,224,021.30)
Change in Accounts Receivable	278,618.42	332,244.27	1,827.99	612,690.68
Change in Accounts Payable	(16,161.79)	(29,058.76)	24.92	(45,195.63)
Cash Expended on Utility Plant	(931,724.26)	(785,471.31)	(6,659.61)	(1,723,855.18)
Change in CWIP	(899,840.16)	(45,058.72)	2,529.52	(942,369.36)
Ending Cash (General Fund)	99,902.36	88,410.25	4,195.20	192,507.81



Mason County PUD No. 1

Cash & Investment Balances

As of August 31, 2023

Cash Balances

Cash - General Funds

\$ 192,507.81

Cash - Restricted

\$ 99,061.00

Total Cash

\$ 291,568.81

Investment Balances (LGIP)

Investments - Electric

\$ 765,872.25

Investments - Sewer

\$ 32,069.70

Investments - Water

\$ 339,786.26

Total Investments

\$ 1,137,728.21

Total Cash & Investments

\$ 1,429,297.02

***Does Not Include Designated Funds*



6024 N. 10TH STREET
RIDGEFIELD, WA 98642

360.967.2180 Office
magnumpower.com

Your power MULTIPLIED.

MASON COUNTY PUBLIC UTILITY DISTRICT NO. 1

21971 North Highway 101
Shelton, WA 98584

CONTRACT

23158. Mason County PUD #1 Storm Work 9-25-2023

Total Due this Invoice	\$8,392.56
Invoice Due Date	11/01/23
Invoice	18394
Invoice Issue Date	10/02/23
Application #:	1
Customer Reference:	
Payment Terms:	Net 30 days

Item	Description	Contract Amount	Contract Quantity	U/M	Quantity JTD	Unit Price	Materials On-Site	Completed And Stored To Date	%	Amount Previous	Quantity This Period	Amount This Period
1	Mason County PUD #1 Storm Work 9-25-2023	7,713.75	0.000	LS	0.000	0000	0.00	7,713.75	100.00%	0.00	0.000	7,713.75

Total this Invoice	7,713.75
Tax this Invoice (8.80%)	678.81
Less Retainage	0.00
Total Due this Invoice	\$8,392.56



6024 N. 10TH STREET
RIDGEFIELD, WA 98642

360.967.2180 OFFICE
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Mason County Emergency Work

Labor Classification	Employee Name	Double Time Rate	Mon 9/25/23	Total Hours	Total
Storm Number					
Foreman	Zane Vanderwall	\$261.82	5.5	5.5	\$ 1,440.01
Journeyman	Cameron Sammaripa	\$232.03	5.5	5.5	\$ 1,276.17
Line Equip. Operator		\$232.03		-	\$ -
7th Step App.		\$202.88		-	\$ -
6th Step App.		\$194.95		-	\$ -
5th Step App.		\$179.08		-	\$ -
4th Step App.	Joseph Brazil	\$167.18	5.5	5.5	\$ 919.49
3rd Step App.		\$157.28		-	\$ -
2nd Step App.		\$149.34		-	\$ -
Groundman	Cody Streeter	\$143.40	5.5	5.5	\$ 788.70
Flagger	Saddie Dawson	\$143.40	5.5	5.5	\$ 788.70
Flagger	Scout Olmsted	\$143.40	5.5	5.5	\$ 788.70
Total Labor					\$ 6,001.77

Equipment Type	Equipment #	Hourly Rate	Mon 9/25/23	Total Hours	Total
10-10 Truck: 0-9.9k	10-10-149	\$ 35.91	5.5	5.5	\$ 197.51
15-11 Man Lift-RL-50-74'	15-11-107	\$ 99.08	5.5	5.5	\$ 544.94
15-12 Man Lift-RL-75-99'	15-12-103	\$ 94.71	5.5	5.5	\$ 520.91
20-11 Digger Derrick-RL-50-74'	20-11-117	\$ 81.57	5.5	5.5	\$ 448.64
Total Equipment					\$ 1,711.99

Other Expenses	Total
Total Other Expenses	\$ -

Total Labor	\$ 6,001.77
Total Equipment	\$ 1,711.99
Total Other Expenses	\$ -
	\$ 7,713.75
8.8%	\$ 678.81
Total	\$ 8,392.56



Today's Date: 4/25/23

Day: Mon

Payroll Week Ending: 4/30

Customer Name: PUD 1

Time Start: 8:30 am

Time End: 1:30 pm

Project Name: pole Replacements

Work Order #: 226675 PUD 1 Storm

Job Class	Employee Name	Employee Signature	S/T	O/T	Total Hours
FM	Zane Vandenberg	[Signature]		5.5	5.5
JL	Cameron Vandenberg	[Signature]		5.5	
APP	Joe Brumil	[Signature]		5.5	
LM	Cody Streeter	[Signature]		5.5	
FL	Saddie Damm	[Signature]		5.5	
FL	Xant okied	[Signature]		5.5	

Magnum Power Daily Tailboard Briefing Safety Form

Address or Location: 101 N

Topic #1: RPE

Topic #2: Traffic

Topic #3: Steps, logs, falls

Topic #4: Hot work

Fleet Units on Job Site

	Unit #	Active	Idle	Total Hours		Fleet #	Active	Idle	Total Hours
1	15-11-107				7				
2	20-11-117				8				
3	15-12-107				9				
4	10-10-119				10				
5					11				
6					12				

Special Notes or Information About Today's Work

Can Per Perm

PUD 1

Storm work

After recording return to:
Robert W. Johnson PLLC
P.O. Box 1400
Shelton, WA 98584

EASEMENT AGREEMENT

RECORDING INFORMATION

Grantor: John Goodpaster, a single person
Grantees: Public Utility District No. 1 of Mason County
Parcel 1: Portion of TR 2 OF GOVT LOT 2 S 18/68
Tax Parcel Nos: 42212-24-00020

THIS EASMENT AGREEMENT ("Agreement") is made and entered into this ____ day of _____, 2023, by and between John W. Goodpaster, a single person, ("Grantor"), and Public Utility District No. 1 of Mason County ("Grantee

I. RECITALS

- 1.1 Grantor is the owner of the following described real property situated in Mason County, Washington:

That portion of Government Lot 2, Section 12, Township 22 North, Range 4 West, W.M., in Mason County, Washington, described as follows:

COMMENCING at the Northwest corner of said Government Lot 2; thence South 01° 37' 17" West along the West line of said Lot 2 a distance of 406.20 feet; thence North 89° 44' 52" East. 517.92 feet; thence South 01° 37' 17" West 333.09 feet thence South 89° 47' 00" East 340.60 feet, more or less, to the Westerly right of way line of S.R.101; thence Northerly along said right of way line 854.02 feet, more or less, to the North line of said Lot 2; thence South 89° 44' 52" West along the said North line 1,186.87 feet, more or less, to the POINT OF BEGINNING.

- 1.2 Grantee has an existing easement in gross for overhead utility lines located on Grantor's property and Grantee is willing to release said easement and relocate said overhead lines to an underground installation and restore the property to a good and clean condition in exchange for a new easement for installing, laying, construction, renewing, replacing, upgrading, operating, and maintaining electric, water, and communication utilities, public and private.

2 CONVEYANCE OF EASEMENT

- 2.1 Grantor hereby grants, conveys and quit claims to Grantee, subject to the reservations, restrictions and to full compliance with each and all of the terms and conditions herein contained, a terminable non-exclusive easement in gross for installing, laying, construction, renewing, replacing, upgrading, operating, and maintaining electric, water, and communication utilities, public and private over, under and across the following described real property situated in the County of Mason, State of Washington:

A portion of the Grantor's property ten feet in width the approximate location of which are shown on exhibit "A" which is attached hereto and incorporated by this reference. The actual location shall be ten feet on either side of the centerline of the utilities as actually installed.

II. TERMS AND CONDITIONS OF GRANT

- 2.1 **Termination of Existing Easement by Grantee:** Grantee hereby conveys and quitclaims any interest in the Grantor's property Grantee may have, by deed or prescription, other than the easement created in this document. Grantee shall remove all overhead facilities and restore the property to a good condition. The area to be released is shown on Exhibit "B" and incorporated by this reference.
- 2.2 **Use of Easement Area by Grantors.** Grantors reserve for themselves, their permittees, contractors, successors and assigns, the right to use, cross and recross the Easement Area at any time and at any place for all purposes deemed necessary or desirable to Grantors, not inconsistent with the rights herein granted, provided no structures shall be constructed over, upon or under said septic tank.
- 2.3 **Hazardous Substance.** Grantee shall not dispose of or otherwise allow the release of any hazardous waste or materials in, on or under the Easement Area or any adjacent property by its agents or employees. As used herein, the term "hazardous waste or materials" Includes any substance, waste or material defined or designated as hazardous, toxic or dangerous (or any similar term) by any federal, state or local statute, regulation, rule or ordinance now or hereafter in effect. Grantee shall promptly comply with all laws, statutes, regulations and ordinances, and with all orders, decrees or judgments of governmental authorities or courts having jurisdiction, relating to the use, collection, treatment, disposal, storage, control, removal or cleanup of hazardous waste or materials in, on or under the Easement Area or any adjacent property. Grantee represents that it has no knowledge that its proposed operations on or use of the Easement Area fails or will fail to comply with any such laws or orders. Grantee shall immediately notify Grantors if Grantee becomes aware of the release of any hazardous waste or materials on the Easement Area or adjacent property or becomes aware of any other environmental problem on the Easement Area. Grantee shall be responsible for all costs and expenses relating to the cleanup of hazardous waste or materials from the Easement Area or adjacent

property for any contamination or release of any hazardous waste or materials arising out of its operations or any other act or omission of Grantee or its agents or employees.

- 2.4 **Indemnity.** Grantee agrees to indemnify and hold harmless Grantors, their agents and assigns, from and against any expenses and liabilities(including without limitation, employee time and expense and attorneys' fees expended in defending against such claims) attributable to bodily injury, sickness, disease or death, or to damage to or destruction of property and the loss of use thereof arising out of or occurring in connection with the use of the Easement Area y Grantee or Grantee's agents, employees invitees, assigns, visitors or anyone for whose act Grantee may otherwise be liable.
- 2.5 **Successors and Assigns.** The rights and obligations herein run with the land and Grantee shall have the right to assign, apportion or otherwise transfer any or all of its rights, benefits, privileges and interests arising in and under this easement. Without limiting the generality of the foregoing, the rights and obligations of the parties shall inure to the benefit of, and be binding upon, their respective successors and assigns.
- 2.6 **Entire Agreement.** This Agreement represents the entire agreement of the parties on the subject matter. This Agreement shall be governed by the laws of the State of Washington. This Agreement and the easement created hereby and covenants contained herein shall not be modified or amended except by written instrument signed by the record owners of the Property and recorded in the real property records where the Property is located.
- 2.7 **Attorney fees.** In the event that this Agreement or any obligation owing hereunder is referred to an attorney for enforcement, the defaulting party agrees to pay the non-defaulting party's (or in the event of a court action, the substantially prevailing party's) reasonable attorneys' fees, including, without limitation, fees incurred in trial and on appeal, and in any bankruptcy proceeding to obtain relief from stay or take other action to protect or enforce its rights and remedies hereunder, any fees incurred without suit, the expense of any title searches, and all court costs.
- 2.8 **Notices.** Any notice required to be given under the provisions of this Agreement shall be in writing and mailed by United States certified mail, return receipt requested, postage prepaid, and addressed to the respective party at its address set forth the first paragraph of this Agreement or at such other address as a party specifies by 30 days written notice to the other party. Notice under this Agreement may also be given by personal delivery to a party.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, 2023.

GRANTOR:

By: John W. Goodpaster

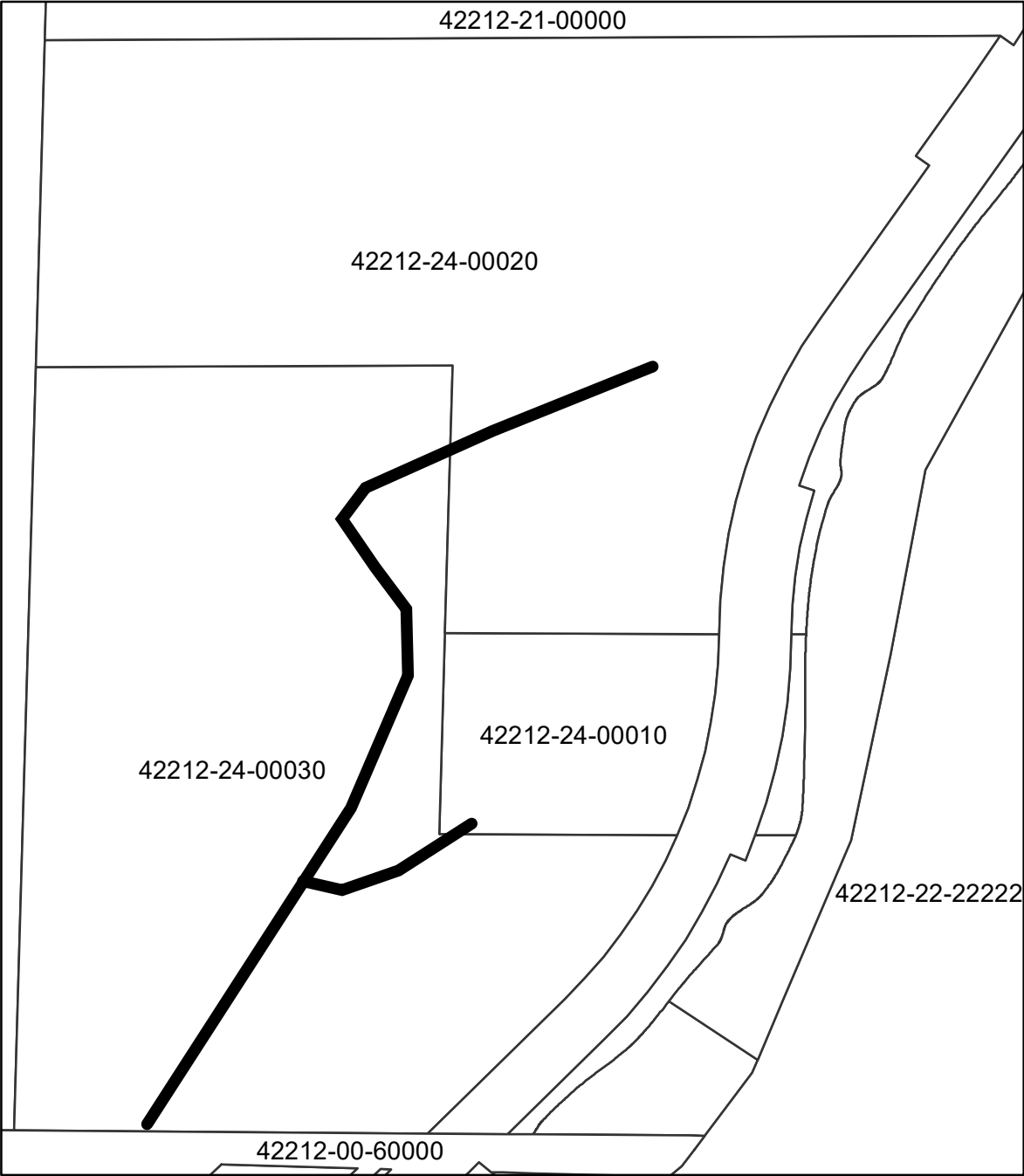
by: Kristin Masteller, its General Manager

Dated: _____

Dated: _____

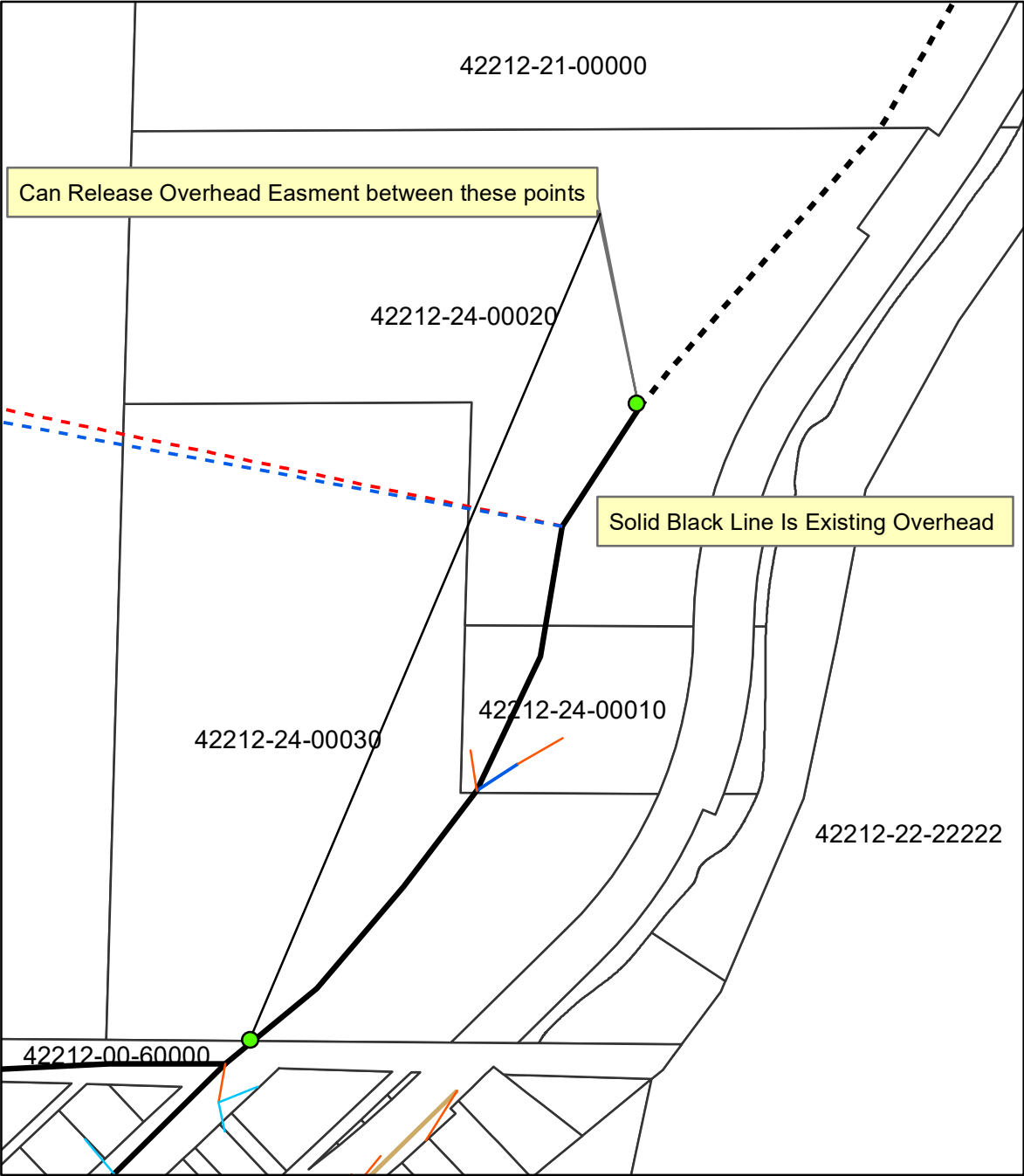
4

Exhibit A



— Approximate Location of Easement

Exhibit B



— Approximate Location of Easement

After recording return to:
Robert W. Johnson PLLC
P.O. Box 1400
Shelton, WA 98584

EASEMENT AGREEMENT

RECORDING INFORMATION

Grantor: Jan Goodpaster, a single person
Grantees: Public Utility District No. 1 of Mason County
Parcel 1: Portion of TR 1 OF GOVT LOT 2 S 18/68
Tax Parcel Nos: 42212-24-00010

THIS EASMENT AGREEMENT ("Agreement") is made and entered into this ____ day of _____, 2023, by and between Jan Goodpaster, a single person, ("Grantor"), and Public Utility District No. 1 of Mason County ("Grantee")

I. RECITALS

- 1.1 Grantor is the owner of the following described real property situated in Mason County, Washington:

That portion of Government Lot 2, Section 12, Township 22 North, Range 4 West, W.M., in Mason County, Washington, described as follows:

COMMENCING at the Northwest corner of said Government Lot 2; thence South 01° 37' 17" West along the West line of said Lot 2 a distance of 406.20 feet; thence North 89° 44' 52" East. 517.92 feet; thence South 01° 37' 17" West 333.09 feet to the TRUE POINT OF BEGINNING; thence continuing South 01° 37' 17" West 250.07 feet; thence South 89° 47' 00" East 295.71 feet, more or less, to the Westerly right of way line of S.R.101; thence Northerly along said right of way line 256.88 feet, more or less, to a point which lies South 89° 47' 00" East from the TRUE POINT OF BEGINNING; thence North 89° 047' 00" West 340.60 feet, more or less, to the TURE POINT OF BEGINNING;

- 1.1 Grantee has an existing easement in gross for overhead utility lines located on Grantor's property and Grantee is willing to release said easement and relocate said overhead lines to an underground installation and restore the property to a good and clean condition in exchange for a new easement for installing, laying, construction, renewing, replacing, upgrading, operating, and maintaining electric, water, and communication utilities, public and private.

II. CONVEYANCE OF EASEMENT

- 2.1 Grantor hereby grants, conveys and quit claims to Grantee, subject to the reservations, restrictions and to full compliance with each and all of the terms and conditions herein contained, a terminable non-exclusive easement in gross for installing, laying, construction, renewing, replacing, upgrading, operating, and maintaining electric, water, and communication utilities, public and private over, under and across the following described real property situated in the County of Mason, State of Washington:

A portion of the Grantor's property ten feet in width the approximate location of which are shown on exhibit "A" which is attached hereto and incorporated by this reference. The actual location shall be ten feet on either side of the centerline of the utilities as actually installed.

II. TERMS AND CONDITIONS OF GRANT

- 2.1 **Termination of Existing Easement by Grantee:** Grantee hereby conveys and quitclaims any interest in the Grantor's property Grantee may have, by deed or prescription, other than the easement created in this document. Grantee shall remove all overhead facilities and restore the property to a good condition. The area to be released is shown on Exhibit "B" and incorporated by this reference.
- 2.2 **Use of Easement Area by Grantors.** Grantors reserve for themselves, their permittees, contractors, successors and assigns, the right to use, cross and recross the Easement Area at any time and at any place for all purposes deemed necessary or desirable to Grantors, not inconsistent with the rights herein granted, provided no structures shall be constructed over, upon or under said septic tank.
- 2.3 **Hazardous Substance.** Grantee shall not dispose of or otherwise allow the release of any hazardous waste or materials in, on or under the Easement Area or any adjacent property by its agents or employees. As used herein, the term "hazardous waste or materials" Includes any substance, waste or material defined or designated as hazardous, toxic or dangerous (or any similar term) by any federal, state or local statute, regulation, rule or ordinance now or hereafter in effect. Grantee shall promptly comply with all laws, statutes, regulations and ordinances, and with all orders, decrees or judgments of governmental authorities or courts having jurisdiction, relating to the use, collection, treatment, disposal, storage, control, removal or cleanup of hazardous waste or materials in, on or under the Easement Area or any adjacent property. Grantee represents that it has no knowledge that its proposed operations on or use of the Easement Area fails or will fail to comply with any such laws or orders. Grantee shall immediately notify Grantors if Grantee becomes aware of the release of any hazardous waste or materials on the Easement Area or adjacent property or becomes aware of any other environmental problem on the Easement Area. Grantee shall be responsible for all costs and expenses relating to

the cleanup of hazardous waste or materials from the Easement Area or adjacent property for any contamination or release of any hazardous waste or materials arising out of its operations or any other act or omission of Grantee or its agents or employees.

- 2.4 **Indemnity.** Grantee agrees to indemnify and hold harmless Grantors, their agents and assigns, from and against any expenses and liabilities (including without limitation, employee time and expense and attorneys' fees expended in defending against such claims) attributable to bodily injury, sickness, disease or death, or to damage to or destruction of property and the loss of use thereof arising out of or occurring in connection with the use of the Easement Area by Grantee or Grantee's agents, employees invitees, assigns, visitors or anyone for whose act Grantee may otherwise be liable.
- 2.5 **Successors and Assigns.** The rights and obligations herein run with the land and Grantee shall have the right to assign, apportion or otherwise transfer any or all of its rights, benefits, privileges and interests arising in and under this easement. Without limiting the generality of the foregoing, the rights and obligations of the parties shall inure to the benefit of, and be binding upon, their respective successors and assigns.
- 2.6 **Entire Agreement.** This Agreement represents the entire agreement of the parties on the subject matter. This Agreement shall be governed by the laws of the State of Washington. This Agreement and the easement created hereby and covenants contained herein shall not be modified or amended except by written instrument signed by the record owners of the Property and recorded in the real property records where the Property is located.
- 2.7 **Attorney fees.** In the event that this Agreement or any obligation owing hereunder is referred to an attorney for enforcement, the defaulting party agrees to pay the non-defaulting party's (or in the event of a court action, the substantially prevailing party's) reasonable attorneys' fees, including, without limitation, fees incurred in trial and on appeal, and in any bankruptcy proceeding to obtain relief from stay or take other action to protect or enforce its rights and remedies hereunder, any fees incurred without suit, the expense of any title searches, and all court costs.
- 2.8 **Notices.** Any notice required to be given under the provisions of this Agreement shall be in writing and mailed by United States certified mail, return receipt requested, postage prepaid, and addressed to the respective party at its address set forth the first paragraph of this Agreement or at such other address as a party specifies by 30 days written notice to the other party. Notice under this Agreement may also be given by personal delivery to a party.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, 2023.

GRANTOR:

GRANTEE:
PUBLIC UTILITY DISTRICT NO. 1 OF
MASON COUNTY

STATE OF WASHINGTON)
 : ss.
COUNTY OF MASON)

Dated: _____

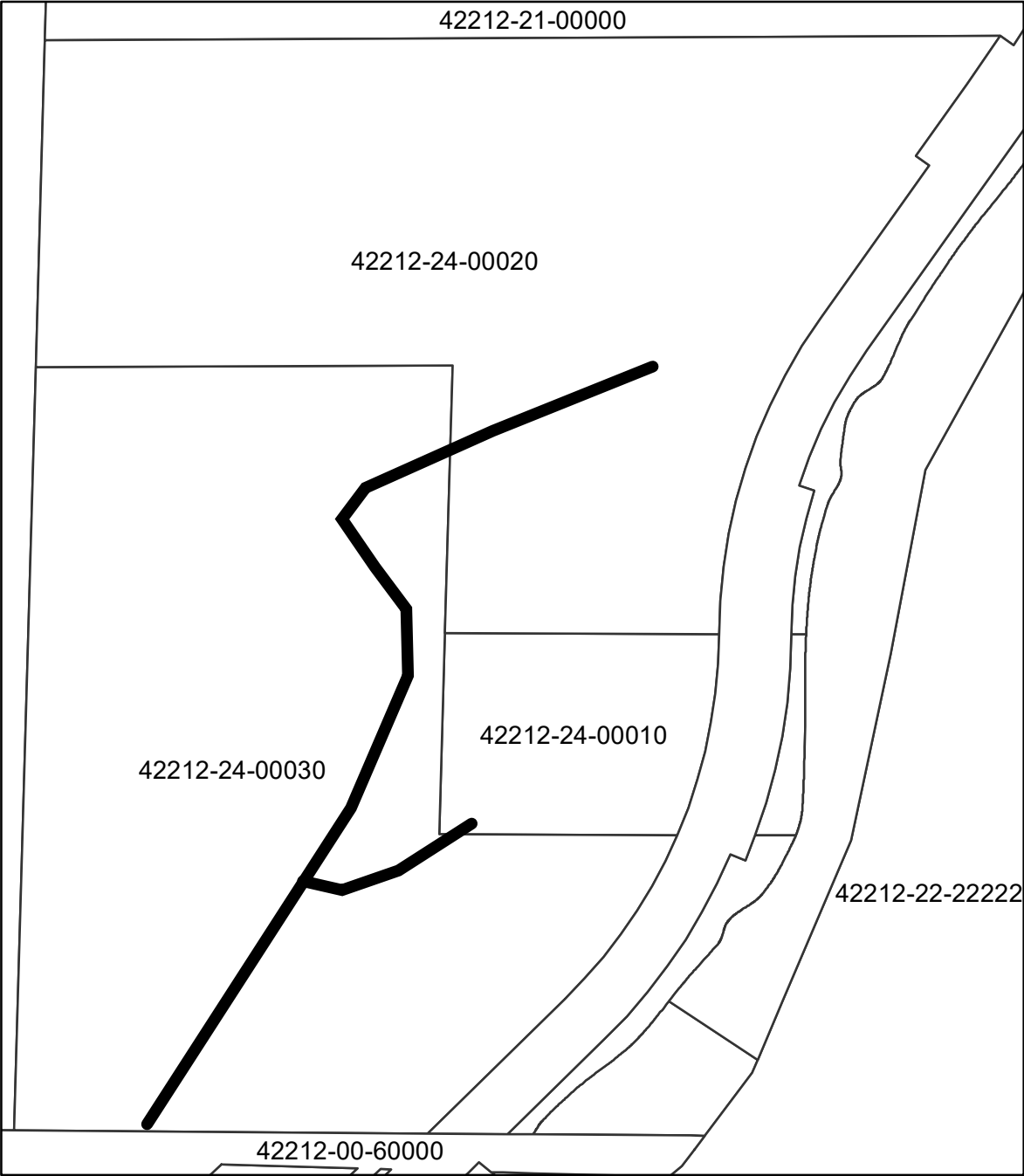
Notary name printed or typed
Notary Public in and for the
State of Washington
Residing at _____
My appointment expires: _____

STATE OF WASHINGTON)
 : ss.
COUNTY OF MASON)

Dated: _____

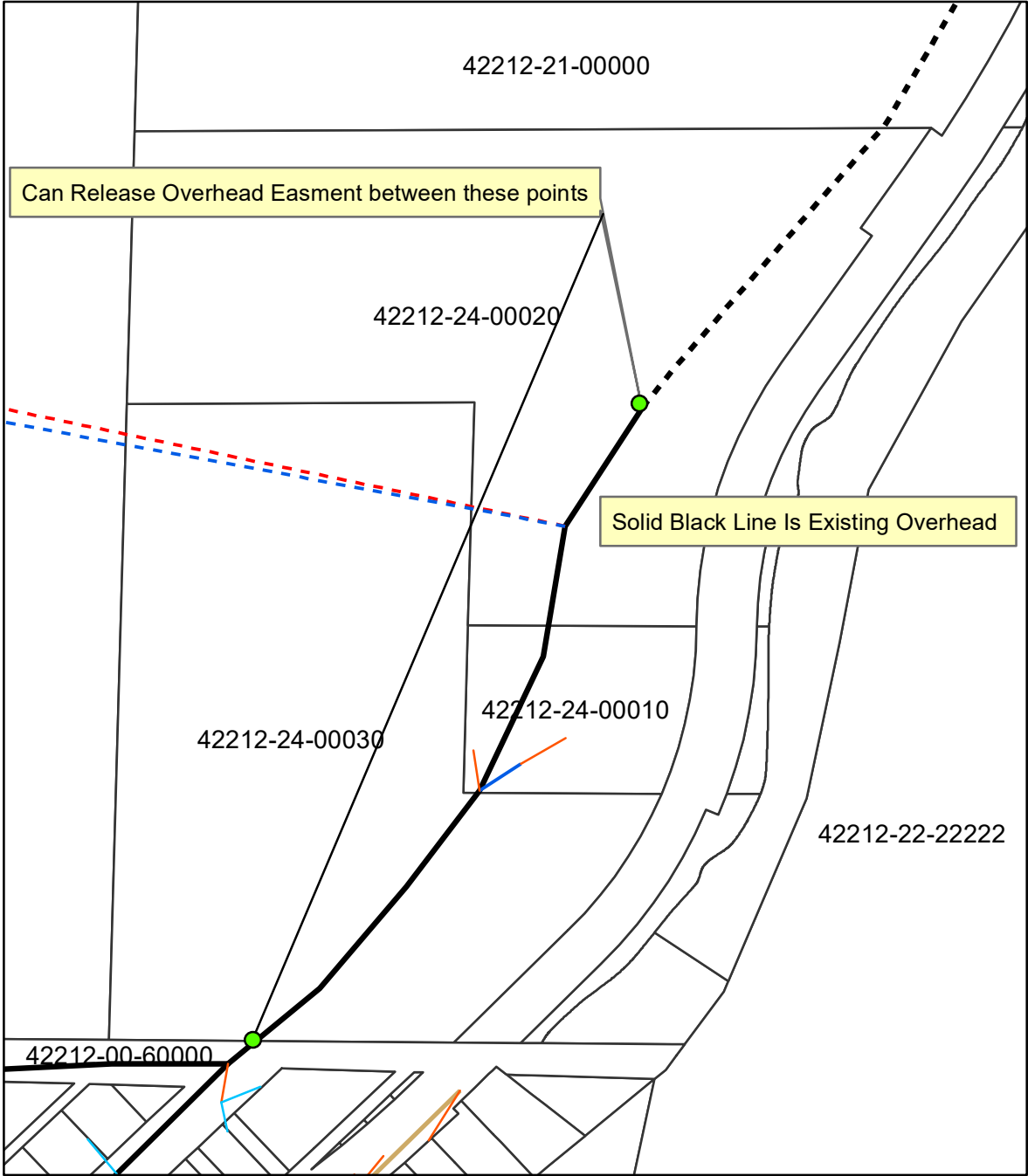
Notary name printed or typed
Notary Public in and for the
State of Washington
Residing at _____
My appointment expires: _____

Exhibit A



— Approximate Location of Easement

Exhibit B



— Approximate Location of Easement

After recording return to:
Robert W. Johnson PLLC
P.O. Box 1400
Shelton, WA 98584

EASEMENT AGREEMENT

RECORDING INFORMATION

Grantor: James F. Goodpaster, a single person
Grantees: Public Utility District No. 1 of Mason County
Parcel 1: Portion of TR 3 OF GOVT LOT 2 S 18-68 Size in Acres: 12.73
Tax Parcel Nos: 42212-24-00030

THIS EASMENT AGREEMENT ("Agreement") is made and entered into this ____ day of _____, 2023, by and between James F. Goodpaster, a single person, ("Grantor"), and Public Utility District No. 1 of Mason County ("Grantee

I. RECITALS

- 1.1 Grantor is the owner of the following described real property situated in Mason County, Washington:

That portion of Government Lot 2, Section 12, Township 22 North, Range 4 West, W.M., in Mason County, Washington, described as follows:

BEGINNING at the Northwest corner of said Government Lot 2; thence South 01° 37' 17" West 406.20 feet from the Northwest corner of said Lot 2; thence North 89° 44' 52" East 517.92 feet; thence South 01° 37' 17" West 583.16 feet; thence South 89° 47' 00" East 295.71 feet to the Westerly right of way line of S.R. 101; thence Southwesterly along said right of way line 486.91 feet, more or less, to the South line of said Lot 2; thence South 89° 33' 04" West along said South line 514.01 feet, more or less, to the Southwest corner of said Lot 2; thence North 01° 37' 17" East along said West line 948.59 feet to the POINT OF BEGINNING;
Parcel No. 42212-24-00030

- 1.1 Grantee has an existing easement in gross for overhead utility lines located on Grantor's property and Grantee is willing to release said easement and relocate said overhead lines to an underground installation and restore the property to a good and clean condition in exchange for a new easement for installing, laying, construction, renewing, replacing, upgrading, operating, and maintaining electric, water, and communication utilities, public and private.

II. CONVEYANCE OF EASEMENT

- 2.1 Grantor hereby grants, conveys and quit claims to Grantee, subject to the reservations, restrictions and to full compliance with each and all of the terms and conditions herein contained, a terminable non-exclusive easement in gross for installing, laying, construction, renewing, replacing, upgrading, operating, and maintaining electric, water, and communication utilities, public and private over, under and across the following described real property situated in the County of Mason, State of Washington:

A portion of the Grantor's property ten feet in width the approximate location of which are shown on exhibit "A" which is attached hereto and incorporated by this reference. The actual location shall be ten feet on either side of the centerline of the utilities as actually installed.

II. TERMS AND CONDITIONS OF GRANT

- 2.1 **Termination of Existing Easement by Grantee:** Grantee hereby conveys and quitclaims any interest in the Grantor's property Grantee may have, by deed or prescription, other than the easement created in this document. Grantee shall remove all overhead facilities and restore the property to a good condition. The area to be released is shown on Exhibit "B" and incorporated by this reference.
- 2.2 **Use of Easement Area by Grantors.** Grantors reserve for themselves, their permittees, contractors, successors and assigns, the right to use, cross and recross the Easement Area at any time and at any place for all purposes deemed necessary or desirable to Grantors, not inconsistent with the rights herein granted, provided no structures shall be constructed over, upon or under said septic tank.
- 2.3 **Hazardous Substance.** Grantee shall not dispose of or otherwise allow the release of any hazardous waste or materials in, on or under the Easement Area or any adjacent property by its agents or employees. As used herein, the term "hazardous waste or materials" Includes any substance, waste or material defined or designated as hazardous, toxic or dangerous (or any similar term) by any federal, state or local statute, regulation, rule or ordinance now or hereafter in effect. Grantee shall promptly comply with all laws, statutes, regulations and ordinances, and with all orders, decrees or judgments of governmental authorities or courts having jurisdiction, relating to the use, collection, treatment, disposal, storage, control, removal or cleanup of hazardous waste or materials in, on or under the Easement Area or any adjacent property. Grantee represents that it has no knowledge that its proposed operations on or use of the Easement Area fails or will fail to comply with any such laws or orders. Grantee shall immediately notify Grantors if Grantee becomes aware of the release of any hazardous waste or materials on the Easement Area or adjacent property or becomes aware of any other environmental problem on the Easement Area. Grantee shall be responsible for all costs and expenses relating to

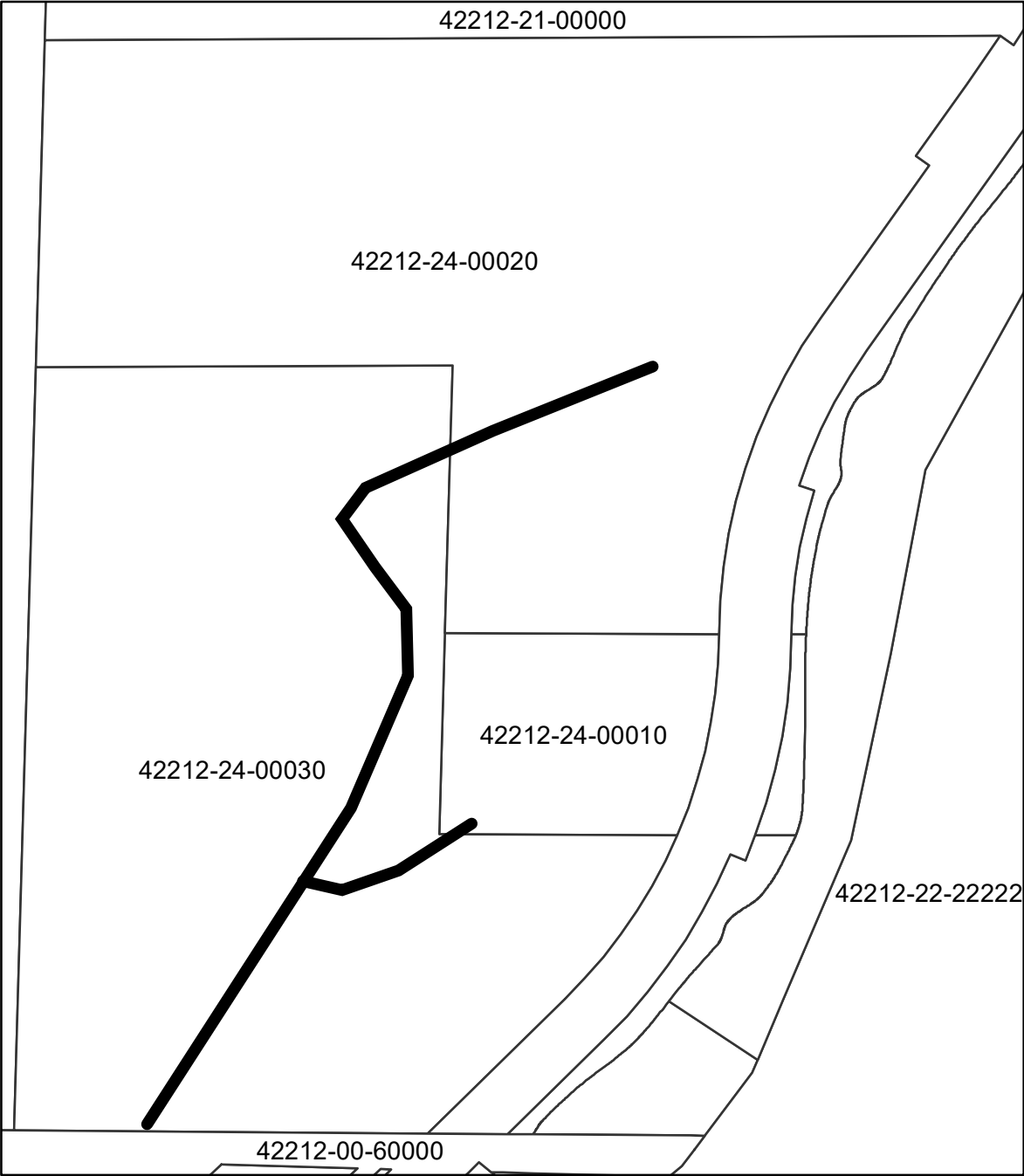
the cleanup of hazardous waste or materials from the Easement Area or adjacent property for any contamination or release of any hazardous waste or materials arising out of its operations or any other act or omission of Grantee or its agents or employees.

- 2.4 **Indemnity.** Grantee agrees to indemnify and hold harmless Grantors, their agents and assigns, from and against any expenses and liabilities (including without limitation, employee time and expense and attorneys' fees expended in defending against such claims) attributable to bodily injury, sickness, disease or death, or to damage to or destruction of property and the loss of use thereof arising out of or occurring in connection with the use of the Easement Area by Grantee or Grantee's agents, employees invitees, assigns, visitors or anyone for whose act Grantee may otherwise be liable.
- 2.5 **Successors and Assigns.** The rights and obligations herein run with the land and Grantee shall have the right to assign, apportion or otherwise transfer any or all of its rights, benefits, privileges and interests arising in and under this easement. Without limiting the generality of the foregoing, the rights and obligations of the parties shall inure to the benefit of, and be binding upon, their respective successors and assigns.
- 2.6 **Entire Agreement.** This Agreement represents the entire agreement of the parties on the subject matter. This Agreement shall be governed by the laws of the State of Washington. This Agreement and the easement created hereby and covenants contained herein shall not be modified or amended except by written instrument signed by the record owners of the Property and recorded in the real property records where the Property is located.
- 2.7 **Attorney fees.** In the event that this Agreement or any obligation owing hereunder is referred to an attorney for enforcement, the defaulting party agrees to pay the non-defaulting party's (or in the event of a court action, the substantially prevailing party's) reasonable attorneys' fees, including, without limitation, fees incurred in trial and on appeal, and in any bankruptcy proceeding to obtain relief from stay or take other action to protect or enforce its rights and remedies hereunder, any fees incurred without suit, the expense of any title searches, and all court costs.
- 2.8 **Notices.** Any notice required to be given under the provisions of this Agreement shall be in writing and mailed by United States certified mail, return receipt requested, postage prepaid, and addressed to the respective party at its address set forth the first paragraph of this Agreement or at such other address as a party specifies by 30 days written notice to the other party. Notice under this Agreement may also be given by personal delivery to a party.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, 2023.

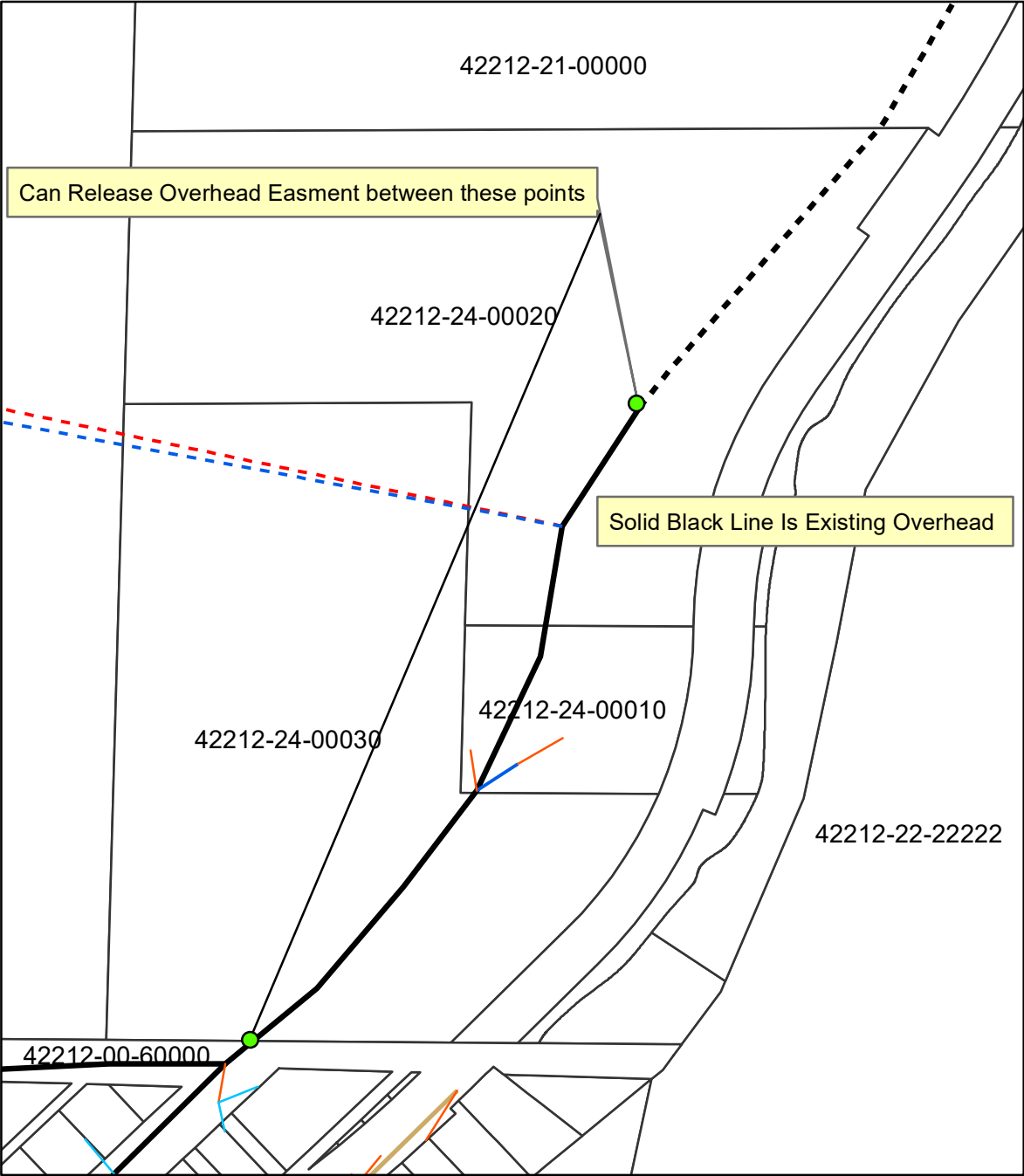
GRANTOR:

Exhibit A



— Approximate Location of Easement

Exhibit B



— Approximate Location of Easement



PUBLIC UTILITY DISTRICT NO. 1

OF

MASON COUNTY

SHELTON, WASHINGTON

**INVITATION, INSTRUCTION TO BIDDERS, BID
& CONTRACT FORMS, AND SPECIFICATIONS**

FOR

BID DOCUMENT NO. 2023-FIBER

**BROADBAND INFRASTRUCTURE MAINTENANCE, REPAIR AND
OTHER RELATED SERVICES**

September 15, 2023

CALL FOR BIDS

NOTICE IS HEREBY GIVEN THAT THE BOARD OF COMMISSIONERS OF PUBLIC UTILITY DISTRICT 1 OF MASON COUNTY, WASHINGTON, does hereby invite sealed proposals as described and in accordance with Bid Document No. **2023-FIBER Broadband Maintenance, Repair and Related Services**, obtainable from the District upon request.

Proposals for this work must be sealed, marked Bid Document No. **2023-FIBER** and filed with the General Manager at the District's office, by **4:00 p.m. on Friday, September 29, 2023**. Bids received after the time fixed for receiving bids will not be considered or accepted. At the time and place named below such bids will be opened and read, and the District will proceed to canvass the bids, and may make recommendations to the board of commissioners to let a contract to the lowest responsible bidder or bidders of the specifications.

BIDDING DOCUMENTS

Bona fide Bidders may request bidding documents from Mason PUD 1, 21971 N. Hwy 101, Shelton, Washington, (360) 877-5239, email kristinm@mason-pud1.org and on the PUD's website: <https://mason-pud1.org/bids/>.

BID SECURITY AND BONDS

Each bid shall be accompanied by a certified check, bank cashier's check, or bid bond executed by a Washington State licensed surety company, in an amount not less than \$25,000. No bid will be considered unless accompanied by such a bond or security.

REJECTION OF BIDS

The District reserves the right in their sole and absolute discretion to waive any informalities and to reject any or all bids, and to accept the bid, which in their sole and absolute judgment will, under all circumstances, best serve the interest of the District.

Date: September 15, 2023

Publish: September 15, 2023

Bids Due: September 29, 2023, 4:00 p.m.

Bid Opening: October 2, 2023, 9:00 a.m.

Bid Opening Location: Online via Zoom: <https://us02web.zoom.us/j/89937856034>. Bidders without Zoom capabilities may contact the PUD to request reasonable accommodations.

BID DOCUMENT NO: 2023-FIBER

**BROADBAND MAINTENANCE, REPAIR
AND RELATED MAINTENANCE SERVICES**

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BID FORM

BIDDER INFORMATION

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GENERAL CONDITIONS

SUPPLEMENTAL CONDITIONS

PERFORMANCE BOND

LIST OF DRAWINGS, SPECIFICATIONS AND ATTACHMENTS

INSTRUCTIONS TO BIDDERS

1. Preparation and Submission of Bids

Sealed bids will be received at Mason County PUD No. 1's office up to the date and time listed on the bid form. Any part of the bid proposal not received prior to the time specified will not be considered and the bid will be returned to the bidder unopened.

Sealed bids shall be mailed to:

Mason PUD 1
General Manager
21971 N. US Highway 101
Shelton, WA 98584, United States

Sealed bids shall be delivered by courier or hand delivery to:

Mason PUD 1
General Manager
21971 N. US Highway 101
Shelton, WA 98584

Each bid shall be enclosed in a sealed envelope distinctly marked "Bid Proposal- 2023 FIBER" and marked in the upper left-hand corner with the Contractor's name and return address, the bid number, and project name.

It is the Contractor's responsibility to ensure the sealed bid is properly identified and delivered to the District by the date and time due. Late responses will not be accepted or considered. The District is not responsible for delays in delivery. The District's internal server shall be the official timeclock.

Each bid must be submitted on the prescribed form(s) and must be fully completed. All blank spaces for the bid price must be filled in, in ink or typewritten, and signed by an individual authorized to bind the company. Emailed proposals will not be considered.

2. Response Evaluation

Mason County PUD No. 1 will evaluate bids received for responsiveness and will evaluate the responsibility of the Bidder along with the pricing provided on the Bid Form. The District may consider commencement dates as part of the bid. Bid award may be subject to Commission approval.

Bids will be reviewed based on price, completeness and contributed design details that illustrate the Contractor's understanding of the requested scope-of-work or that enhance performance/aesthetics of the proposed work.

Bids which contain or are conditioned upon different terms provided by the Bidder may be rejected as non-responsive. Any bid which attempts to disclaim liability for the Bidder's negligence or disclaim liability for damage, which arises from Bidder's acts to person or property, shall be deemed non-responsive.

The Commissioners of Mason County PUD No. 1 reserve the right in their sole and absolute judgment to reject any and all alternative offers or bids, without further explanation, and to accept an alternative or bid which will, in their sole and absolute judgment, under all circumstance best serve the interest of the District.

3. Job Show

There will not be a job show for this project.

4. Addenda

Should the Bidder find discrepancies in or omissions from the bid document or should the intent or meaning appear to be obscure or ambiguous, the Bidder should at once forward to the District a written request for interpretation, clarification, or correction thereof before submitting the bid. The Bidder making such request will be solely responsible for its timely receipt. All such requests must be received not later than two (2) business days prior to bid opening. Replies may be made in the form of addenda.

Engineering will transmit to prospective bidders of record such addenda as deemed necessary in response to questions arising. Oral statements may not be relied upon and will not be binding or legally effective.

5. Bidder's Data

The Bidder must submit:

1. One (1) hard copy of the Bid Form, Bidder's Information sheet and Wage Compliance form, with all signatures in ink. All responses must be complete and accurate.
2. Acknowledgement of receipt of Addenda (if any).
3. Bid Bond, or certified cashier's check, payable to Mason County PUD 1 in the amount indicated.

6. Additional Contractor Requirements

- A. This project is a prevailing wage project, and subject to all applicable RCW's and Washington State laws. Contractor shall comply with all requirements concerning public works, without limitation, prevailing wage. The work takes place in Mason County, Washington. View prevailing wage rates at: <http://www.lni.wa.gov/TradesLicensing/PrevWage/WageRates/default.asp> using the 2023, rates, or view a copy at Mason County PUD No. 's offices at 21971 N. US Highway 101, Shelton, WA 98584, United States If requested, a copy will be mailed.
- B. The Contractor shall maintain during the life of this contract, including warranty period, commercial general liability insurance, and automobile insurance as shall protect against claims for damages resulting from (1) bodily injury, including wrongful death, and (2) property damage including loss of use thereof, and products/completed operations with the minimum policy limits of \$1,000,000.00, naming the District as an additional insured. (See all insurance requirements in the Agreement and General Conditions.)
- C. The Contractor is to provide a good and sufficient Payment and Performance Bond acceptable to the District and in accordance with the provisions of Chapter 39 RCW, and payable to Mason County PUD No. 1 in an amount of not less than One Hundred Thousand dollars (\$100,000.00) as noted on the bid form.
- D. Each Bidder shall submit with its bid its work/delivery schedule including, if applicable, its proposed method of conducting the work, and the list of equipment and other materials it will use. This submittal data shall be sufficiently complete and detailed to show compliance with the bid document.

The District reserves the right to reject any bid if the District's review of the above submittals and its investigation fail to establish that the Bidder possesses, to the satisfaction of the District, in its discretion, the qualifications necessary to fully, properly and timely carry out all obligations described in this bid document.

7. Responsible Bidder

A. Bidder Responsibility Criteria

It is the intent of the District to award a contract to the low responsible Bidder. Before award, the Bidder must meet the following Bidder responsibility criteria to be considered a responsible Bidder. The Bidder may be required by the District to submit documentation demonstrating compliance with the criteria. The Bidder must:

1. Have a current certificate of registration as a contractor in compliance with Chapter 18.27 RCW, which must have been in effect at the time of bid submittal;
2. Have a current Washington Unified Business Identifier (UBI) number;
3. If applicable, have:
 - a. Industrial Insurance (workers' compensation) coverage for the contractor's employees working in Washington, as required in Title 51 RCW;
 - b. A Washington Employment Security Department number, as required in Title 50 RCW;
 - c. A Washington Department of Revenue state excise tax registration number, as required in Title 82 RCW;
4. Not be disqualified from bidding on any public works contract under RCW 39.06.010 or 39.12.065(3).
5. If bidding on a public works project subject to the apprenticeship utilization requirements in RCW 39.04.320, not have been found out of compliance by the Washington State apprenticeship and training council for working apprentices out of ratio, without appropriate supervision, or outside their approved work processes as outlined in their standards of apprenticeship under Chapter 49.04 RCW for the one-year period immediately preceding the date of the bid solicitation.
6. Have received training on the requirements related to public works and prevailing wage under Chapter 39.04 RCW and Chapter 39.12 RCW.
7. Within the three-year period immediately preceding the date of the bid solicitation, the Bidder shall not have been determined by a final and binding citation and notice of assessment issued by the Department of Labor and Industries or through civil judgment entered by a court of limited or general jurisdiction to have willfully violated, as defined in RCW 49.48.082, any provision of Chapter 49.46, 49.48 or 49.52 RCW. Before award of a public works contract, a Bidder shall submit to the contracting agency a signed statement in accordance with RCW 9A.72.085 verifying under penalty of perjury that the Bidder is in compliance with this requirement.

B. Subcontractor Responsibility

The Contractor shall include the language of this section in each of its first tier subcontracts and shall require each of its subcontractors to include the same language of this section in each of their subcontracts, adjusting only as necessary the terms used for the contracting parties. Upon request of the District, the Contractor shall promptly provide documentation to the District demonstrating that the subcontractor meets the subcontractor responsibility criteria below. The requirements of this section apply to all subcontractors regardless of tier.

At the time of subcontract execution, the Contractor shall verify that each of its first tier subcontractors meets the following Bidder responsibility criteria:

1. Have a current certificate of registration in compliance with Chapter 18.27 RCW, which must have been in effect at the time of subcontract bid submittal;
2. Have a current Washington Unified Business Identifier (UBI) number;
3. If applicable, have:
 - a. Industrial Insurance (workers' compensation) coverage for the subcontractor's employees working in Washington, as required in Title 51 RCW;

- b. A Washington Employment Security Department number, as required in Title 50 RCW;
- c. A Washington Department of Revenue state excise tax registration number, as required in Title 82 RCW;
- 4. Not be disqualified from bidding on any public works contract under RCW 39.06.010 or 39.12.065 (3).
- 5. If bidding on a public works project subject to the apprenticeship utilization requirements in RCW 39.04.320, not have been found out of compliance by the Washington State apprenticeship and training council for working apprentices out of ratio, without appropriate supervision, or outside their approved work processes as outlined in their standards of apprenticeship under Chapter 49.04 RCW for the one-year period immediately preceding the date of the bid solicitation.
- 6. Have received training on the requirements related to public works and prevailing wage under Chapter 39.04 RCW and Chapter 39.12 RCW.
- 7. Within the three-year period immediately preceding the date of the bid solicitation, the Bidder shall not have been determined by a final and binding citation and notice of assessment issued by the Department of Labor and Industries or through civil judgment entered by a court of limited or general jurisdiction to have willfully violated, as defined in RCW 49.48.082, any provision of Chapter 49.46, 49.48 or 49.52 RCW. Before award of a public works contract, a Bidder shall submit to the contracting agency a signed statement in accordance with RCW 9A.72.085 verifying under penalty of perjury that the Bidder is in compliance with this requirement.

8. Public Records Act

All bids, contract documents and related materials (collectively, "Materials") submitted in connection with any proposal or bid are subject to public review and approval by the Board of Commissioners. Contractor acknowledges and agrees to such public review and approval. With limited exceptions, all Materials submitted become public records and are subject to the provisions of RCW Chapter 42.56 (the "Act"). In most instances, all Materials will be subject to inspection and copying by the public.

Any specific part of the Materials that is claimed to be confidential information or otherwise exempt from disclosure under the Act must be clearly identified as such by the Contractor by marking each page "**PROPRIETARY AND CONFIDENTIAL**" in capital letters and in a manner that makes the claim immediately obvious and identifiable. Contractor agrees that Materials which are not so marked may be inspected, copied, or both by the public, at the District's discretion.

If a request is made for inspection, copying, or both of any Materials, the District will review the Materials to determine if any are marked "**PROPRIETARY AND CONFIDENTIAL**." For Materials appropriately marked, the District agrees that it will notify Contractor of such request and provide at least five (5) days written notice of such request prior to public disclosure of the documents. The Contractor may take such efforts to assert or exercise any rights available to Contractor under the Act to prevent or limit such public disclosure or access at Contractor's sole and exclusive expense.

SCOPE OF WORK

PUD 1 Triton Cove Broadband Maintenance and Repair Contract

1. Description and Location

The work consists of furnishing all supervision and labor, except as hereinafter specified, and performing maintenance, repair and related services including but not limited to emergency, storm after-hours repairs and requested by the District in accordance with District's specifications and plans within Mason County PUD 1's Triton Cove Telecommunications service territory. The work shall be equal to the best quality in the area.

The Contractor shall furnish all implements, equipment and supplies, and materials or products necessary for the completion of the work. It shall be the responsibility of the Contractor to determine the exact quantities of any materials or products necessary and to obtain such quantities. The District's General Manager shall approve any material or products supplied by the Contractor. Contractor will provide the General Manager Material Safety Data Sheets (MSDS) in an original form for all chemicals to be used in the performance of this contract. Duplicate MSDS sheets will also be kept at all bases of operation. The materials will be identical to the existing listed in this addenda, unless approved by the District.

Contractor's station of operation will be at sites mutually agreed upon and shall be no more than forty-five (45) minutes from the assigned work area. It is the intent of the District that the maximum possible amount of time shall be spent in productive work each day. With exception of travel to and from the job site, payment will only be made for active time during which work is actually performed.

Contractor MUST guarantee a response time of no more than 45 minutes to the Triton Cove Area of Mason County.

2. Equipment and Personnel

The Contractor shall employ an ample force of workers and provide properly adapted and maintained implementation plant of sufficient capacity and efficiency to complete the work in a workmanlike manner at the rate of progress equal to or better than the best in the area, necessary for completion of work.

- 2.1 Aerial lifts with a minimum height of thirty-six (36) feet from the ground to the floor of the buckets.
- 2.3 Required safety equipment, PPE, and all necessary miscellaneous items for an efficient operation.
- 2.4 Contractor is to provide names and experience of crewmembers and emergency phone numbers.
- 2.5 Crew structures are to be comprised of the minimum number of certified qualified people for work to be performed or as specified.
- 2.9 The Contractor will provide road-flagging personnel when required. However, traffic control supervision must be provided by the Contractor.
- 2.10 Additional personnel and equipment will be provided upon one week's notification to perform work in conformance with provisions of this contract.

3. Methods of Operations

The District's Contracting Officer will schedule and assign work. Any modifications to crew schedule, laborers, or equipment shall be reported to the Contracting Officer immediately.

Every effort shall be made, inasmuch as possible, to keep the District's facilities in service. In light of this, it shall be the Contractor's responsibility to coordinate with the District's customers with regard to any unavoidable outage. Planned outages shall be handled in accordance with Site Conditions and Coordination item 4. The Contracting Officer shall be kept fully informed of the condition of all District lines and facilities. A written report of any abnormal line situation shall be provided to the District's Contracting Officer or a designated representative, prior to the end of each working day.

4. Commencement, Duration, Prosecution and Completion

The Contractor shall be ready to commence work under the contract no later than the quoted commencement date or other mutually agreed upon date.

The District shall not be liable to the Contractor for anticipated earnings or profits hereunder in the event the Contractor and the District are prevented from completing the project as provided for in these specifications and contract.

The contract shall be for three (3) years, unless terminated as provided herein, or extended by mutual agreement.

The District may, at its discretion at any time, terminate the contract or to suspend work under this agreement by giving seven (7) days' written notice. The Contractor shall not have any claim for costs or other financial loss by reason of termination or suspension of work, other than for compensation of work performed satisfactorily up to the date of suspension or termination.

5. Availability of Contractor's Facilities and Data

The Contractor shall furnish the Contracting Officer with facilities in the vicinity of the site of the work for obtaining such information as the latter may desire respecting the character of materials or equipment and the progress and manner of carrying on the work, such as payrolls, source of labor and details of any other item in connection with the cost of labor, including all items of expense transporting persons to and from the work, invoices, bills, credit memoranda and claims for rebate for material, supplies, and freight including all costs in connection with the transporting of equipment and outfits to and from the work and such other cost records as may be required by the Contracting Officer. The Contractor shall keep available in the vicinity of the site of the work a description of all owned and rented equipment used in connection with this work; such shall include for each item or unit of equipment the maker's name, catalog reference, the size and the model year.

6. Inspection

The inspection of the work will be conducted under the general direction of the Contracting Officer and will be inspected by inspectors representing the Contracting Officer who will enforce a strict compliance with the terms of the contract. The presence or lack of presence of the inspector shall not relieve the Contractor or the Contractor's responsible agent of any responsibility for the proper execution of the work.

7. Interpretation of Specifications

All questions relating to the acceptability of material or machinery, classification of materials, the proper execution of the work, and the interpretation of these specifications, will be the decision of the Contracting Officer and shall be final.

9. Alternates and Exceptions

The District will consider any and all alternatives and exceptions to this specification if fully explained and included within the Bid Form.

10. Annual Cost Escalation / De-Escalation Adjustments

Cost adjustments will be allowed to the contract for the components listed in the Bid Form. Any proposed contract adjustment, beyond those listed in the Bid Form, must be presented in writing to the District at least thirty (30) days prior to the effective date of the change.

11. Payment

Contractor will be responsible for full compliance with all statutory and administrative requirements concerning public works (Chapter 39.04 RCW), including without limitation, prevailing wage (Chapter 39.12 RCW). Contractor will be responsible for submitting all Department of Labor and Industries (L&I) forms, associated form fees, or any other fees relating to this contract and compliance with the prevailing wage requirements of the L&I.

Before the District makes any payment to a Contractor, Contractor and/or any subcontractors must submit a "Statement of Intent to Pay Prevailing Wage." L&I industrial statistician must approve the statement before the Contractor can submit it to the District.

Payment will be processed on a weekly basis as documents submitted are correct and acceptable. All charges are to be included in the hourly price as stated on the Bid Form page(s). No charges other than verified hourly charges will be accepted for payment unless altered in writing by a change order.

Retainage may be released on a semi-annual basis following receipt of all required release documents. If the Director of L&I, through an administrative order, notifies the District that an amount is owed, the District must withhold that amount and release it to L&I for distribution.

12. Terminology

In the interpretation of these specifications and this contract or in any documents or instruments dealing with construction operations governed by these specifications, the following words and terms or pronouns in place of them shall be construed respectively, as follows:

Contracting Officer – The Manager of the District or an authorized representative.

Contractor – The person, firm, co-partnership, or corporation, and his/her, their, or its heirs, executor, administrator, successors and assigns, or the lawful agent of any such person, firm, partnership, or corporation, and his/her, their, or its surety under the contract bond, constituting one of the principals to the contract and undertaking to perform the work herein specified. Whenever any pronoun is used as referring to the word "Contractor," it shall mean the Contractor above defined.

District, PUD 1, Owner – Mason County Public Utility District No. 1 or Mason County PUD 1.

Property Owner – The owner of any real property adjacent to rights-of-way which may be affected by the Work, or whose property may be used for storing equipment of Bidder with the Property Owner's express permission.

SITE CONDITIONS AND COORDINATION

1. Examination of Site

Bidders shall make a complete examination of the site or general area so that all contracting hazards may be evaluated, and every condition relative to the work shall be considered. Failure to do so shall not relieve the Contractor from any provisions of the contract. Submission of a bid shall be considered as prima facie evidence that such examination has been made by the Bidder.

2. Rights-of-Way and Accessibility of Site(s)

All right-of-way has been provided by the District. The basic right-of-way for maintaining facilities is along county roads and transmission access roads or other properties designated by the District. It shall be the Contractor's responsibility to ensure coordination with the county road or state highway department and Property Owners to ensure their cooperation with regard to traffic rerouting, delays or stoppage.

Access to the rights-of-way will be from adjacent roads.

3. Existing Facilities

Existing known facilities consist of overhead and underground telephone, fiber optic, cable television, emergency fire and aid radio communications, natural gas pipelines, and water and sewer systems.

4. Outages

The Contractor will provide a minimum of two (2) weeks' notice to the District if a planned outage is required.

Planned outages are required whenever the outage will affect more than ten (10) District services (customers) or for any outage lasting for two (2) hours or more.

5. Use of Land for Storage, Offices, Etc.

Subject to the approval of the Contracting Officer, the Contractor will be allowed to utilize, for operation purposes other than camp sites, and for the life of this contract, any land or right-of-way that is the property of the District for its own use or for the use of other contractors and shall make all necessary arrangements with the Property Owner and shall pay all rentals or other costs connected therewith; provided, that such use shall not interfere with any parts of the work or with the work of other contractors or of the District in the vicinity; and provided further, that the District will assume no responsibility for damages or interference with the Contractor's use of such land due to any operations under the contract or otherwise.

6. Removed Material

All material and equipment, which are removed from service under this contract, shall remain the property of the District. The Contractor shall exercise due care during removal and handling to avoid damage. All material and equipment shall be returned to the District's warehouse or as directed by the Contracting Officer, in a manner and schedule determined by the Contracting Officer.

7. Contractor will supply all materials to make necessary maintenance and emergency repairs of the fiber optic network

BID FORM

COMPANY NAME: Hood Canal Communications

BID NUMBER: 2023-FIBER

PROJECT NAME: Broadband Maintenance, Repair and Related Services

DATE & TIME DUE: September 29th, 2023

In compliance with Mason County PUD No. 1's Invitation for Bids, Instructions to Bidders, Scope of Work, Site Conditions and Coordination, Agreement and General Conditions, and Supplemental Conditions, the undersigned hereby proposes and agrees to furnish all labor and supervision, material, tools and work equipment, except those materials and equipment specifically designated to be furnished by the Owner or by others, and perform the Work in strict accordance with the specifications designated and made a part of this Call for Bids for the bid amount as follows.

All bid pricing must state hourly pricing without sales tax.

Basic crew and equipment requirements for MAINTENANCE crew:

1 each- Lineperson,
1 each- Grounds person
2 each- Flagger
1 each- Truck Driver
1 each- 36' Boom Truck
1 each- Pickup Truck

Amount bid per hour \$ \$370.00
Three hundred and seventy dollars Dollars and zero Cents

Amount bid per hour for overtime, emergency,
storm, or any other after hours work required \$ 555.00
five hundred and fifty five Dollars and zero Cents

**** Bid evaluation will be based on this Basic crew and equipment unit price. ****

Basic crew and equipment requirements for SPLICING crew:

1 each- Splicer
1 each- Fiber Splicing Vehicle

Amount bid per hour \$ 130.00
one hundred thirty Dollars and zero Cents

Amount bid per hour for overtime, emergency,
storm, or any other after hours work required \$ 195.00
one hundred ninety five Dollars and zero Cents

**** Bid evaluation will be based on this Basic crew and equipment unit price. ****

Basic crew and equipment requirements for UNDERGROUND crew:

1 each- Excavator
1 each- Operator
1 each- Laborer

Amount bid per hour \$ \$185.00
one hundred eighty five Dollars and zero Cents

Amount bid per hour for overtime, emergency,
storm, or any other after hours work required \$ 277.50
two hundred seventy seven Dollars and fifty Cents

**** Bid evaluation will be based on this Basic crew and equipment unit price. ****

Basic crew and equipment requirements for GROUND LEVEL INVESTIGATIVE work:

1 each- Foreman
1 each- Pickup Truck

Amount bid per hour \$ \$130.00
one hundred thirty Dollars and zero Cents

Amount bid per hour for overtime, emergency,
storm, or any other after hours work required \$ \$195.00
one hundred ninety five Dollars and zero Cents

Additional Crew Member Hourly Rates:

	Regular	Overtime
Foreman	\$80.00	\$120.00
Laborer	\$60.00	\$90.00
Operator	\$70.00	\$105.00
Flagger	\$75.00	\$112.50
Truck Driver	\$110.00	\$165.00
Fiber Splicer	\$70.00	\$105.00

Equipment Hourly Charges:

	Regular	Overtime
Pickup Truck	\$50.00	\$50.00
Boom Truck	\$65.00	\$65.00
Splice Vehicle	\$60.00	\$60.00
Excavator	\$55.00	\$55.00
Vac Truck	\$60.00	\$60.00
Fiber Splicing Vehicle	\$60.00	\$60.00

Bidder: Hood Canal Communications

Bid Form – Page 4

LABOR RATE INCREASES

Labor base for this contract will be the prevailing wage statements or bargaining unit agreements, whichever is higher. If bidder's employees work under a bargaining unit agreement, state known increases in the table below and the effective dates.

Year 2024 Percentage increase	<u>5%</u>	Effective Date	<u>3/1/2024</u>
Year 2025 Percentage increase	<u>5%</u>	Effective Date	<u>3/1/2025</u>
Year 2026 Percentage increase	<u>5%</u>	Effective Date	<u>3/1/2026</u>

EQUIPMENT RATE INCREASES

State any equipment rate increases and effective dates.

Year 2024 Percentage increase	<u>5%</u>	Effective Date	<u>3/1/2024</u>
Year 2025 Percentage increase	<u>5%</u>	Effective Date	<u>3/1/2025</u>
Year 2026 Percentage increase	<u>5%</u>	Effective Date	<u>3/1/2026</u>

☐ The District may require the use of one or more of the individuals or equipment listed above, or other individuals or equipment not listed. **Please provide a list of rates (straight time and over time) for each classification of personnel or equipment that could be provided.**

Additional Information Required:

- ☒ Bid Bond / Certified Check Enclosed
- ☒ Bidder's Data Enclosed (see item Instructions to Bidders, number 5)

It is understood that this quotation constitutes a firm offer, which cannot be withdrawn for sixty (60) calendar days after the date set for quotation opening.

The undersigned Bidder agrees, if awarded the Contract, to complete the Work of the Contract within the timeframe specified.

The Bidder acknowledges that it is in compliance with the bidder responsibility criteria described in the Instruction to Bidders. The Bidder agrees to provide proof of compliance with these requirements upon request by the Owner.

The undersigned certifies that the Bidder has examined and is familiar with document No 2023-FIBER; the Bidder is responsible for complying with the Agreement and General Conditions in their entirety; the Bidder has checked all the figures shown on this form and other attachments hereto; and understands that the Owner will not be responsible for any errors or omissions on the Bidder's part in making up quotation submitted.

Bidder: Hood Canal Communications

All of the above work will be performed for the consideration of the sum designated, and the undersigned agrees, upon receipt of written notice of acceptance of this quotation, within ten (10) days to execute contract in accordance with the quotation as accepted and provide a public works contractor performance bond in the amount of One Hundred Thousand dollars (\$100,000.00).

Attached hereto and made a part hereof by this reference are the bidding schedule and drawings and data to be submitted with bid. There is enclosed herewith a Bid Bond or a Certified or Cashier's Check payable to the District in the amount of Twenty-Five Thousand dollars (\$25,000.00), which shall be and remain the property of the District in event of failure by the successful Bidder to execute the necessary contract and give the required bond within ten (10) calendar days after the form of agreement and bonds have been supplied, said failure will cause substantial injury to the District which is not easily reduced to monetary terms. It is therefore agreed that this sum is proper to be considered as liquidated damages for such injury.

Bidder: Hood Canal Communications


BIDDER INFORMATION

Bidder's Business Name: Hood Canal Telephone Co., Inc. d.b.a. Hood Canal Communications		
Type of Business: <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Partnership <input checked="" type="checkbox"/> Corporation (State of Incorporation: <u>WA</u>) <input type="checkbox"/> Other _____		
Physical Business Address: 300 E Dalby Rd Union, WA 98592		
Mailing Address: P.O. Box 249 Union, WA 98592		
City: Union	State: Washington	Zip Code: 98592
Business Telephone Number: 360 898-2481	Business Fax Number: 360 898-2244	Business Email Address: mikeo@hoodcanal.net

State of Washington numbers for the following:

Contractor Registration No.: HOODCTC084J4	UBI No.: 278050259	Employment Security Dept. No.: 000-305996-00-2
Receipt is hereby acknowledged of Addenda No(s): _____ If none, so state: <u>None</u>		

Official Authorized to Sign for Bidder:

"I certify (or declare) under penalty of perjury under the laws of the state of Washington that the foregoing is true and correct":	
Signature: 	Date: September 29th, 2023
Print Name and Title: Mike Oblizalo V.P.	Location or Place Executed: Union, WA

Please deliver your bid to:

By USPS Mail:

Mason PUD 1
Attn: General Manager
29171 N. Hwy 101
Shelton, WA 98584

By Courier Service or hand delivery:

Mason PUD 1
Attn: General Manager
29171 N. Hwy 101
Shelton, WA 98584

*Chapter 54.04.085 RCW requires that bid proposals be made on contract proposal forms supplied by the Utility, and in no other manner

Certification of Compliance with Wage Payment Statutes

The bidder hereby certifies that, within the three-year period immediately preceding the bid solicitation date (April 21, 2022), the bidder is not a "willful" violator, as defined in RCW 49.48.082, of any provision of chapters 49.46, 49.48, or 49.52 RCW, as determined by a final and binding citation and notice of assessment issued by the Department of Labor and Industries or through a civil judgment entered by a court of limited or general jurisdiction.

I certify under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

Hood Canal Communications

Bidder's Business Name



Signature of Authorized Official*

Mike Oblizalo

Printed Name

V.P.

Title

09/29/23

Date

Union

City

WA

State

Check One:

☐ Sole Proprietorship

☐ Partnership

☐ Joint Venture

☒ Corporation

☐ Limited Liability Company

State of Incorporation, or if not a corporation, State where business entity was formed:

Washington

If a co-partnership, give firm name under which business is transacted:

** If a corporation, proposal must be executed in the corporate name by the president or vice-president (or any other corporate officer accompanied by evidence of authority to sign). If a co-partnership, proposal must be executed by a partner.*

Vegetation Management Contract- Change Order No. 1

KEMP WEST, INC.

(425) 334-5572

3800 Sinclair Ave. Snohomish, Wa. 98290

QUOTATION / ESTIMATE

CUSTOMER NAME: Mason County P.U.D. #1 Date: 10/4/2023
CONTACT: Matt Rollow / Kristin Masteller
BILLING ADDRESS: N. 21971 Highway 101
Shelton, Wa. 98584

TELEPHONE: 360-463-9609
FAX: _____
Email: kristinm@mason-pud1.org

PROJECT LOCATION: #1) Hazard Tree Removal 10 Sites Along Hwy 101
(Pulled HT 28 out of Bid)
(Revised E

PROJECT SPECIFICATIONS: #1) Remove Danger trees as per site visit with Matt. Chip brush
and leave wood on site. Supply traffic control.

QUOTATION:

Description	Totals
#1) Same as above	\$48,895.00

Subtotal	\$48,895.00
Plus Applicable Sales Tax, which will be added to final invoice	
Total	

THIS ESTIMATE/QUOTATION IS:

☐ On a Time & Materials basis at the daily rates shown above, hours/days and fees are estimated, not fixed !!

☒ A Fixed Price bid not to be exceeded to perform above specified work.

Credit Cards are Not accepted

ACKNOWLEDGED AND ACCEPTED BY:

KEMP WEST QUOTE PROVIDED BY:

Kristin Masteller 10/6/2023
Customer Representative/Title Date

Gary Johnson Oct 9, 2023
Gary Johnson Date

This estimate/quotation is valid for 30 days from the date above.

Signature: Gary Johnson
Gary Johnson (Oct 9, 2023 08:35 PDT)

Email: gary@kempwest.com



PUBLIC UTILITY DISTRICT NO. 1
OF MASON COUNTY
N. 21971 Hwy. 101
Shelton, Washington 98584

BOARD OF COMMISSIONERS
MIKE SHEETZ, Commissioner
JACK JANDA, Commissioner
RON GOLD, Commissioner

SMALL WORKS PROJECT

CHANGE ORDER FORM

No. 01

The following changes are hereby incorporated into this Contract:

Description of Change:

The flex tend couplings that were designed for the project created extensive lead times that pushed our work into the rainy season. We worked with Mason County PUD #1 on using alternate options after the manufacturing company created an extensive delay. This then limited our ability to operate equipment onsite with extensive amounts of water retainage onsite. These flex tends extending our schedule also forced our main subcontractor (Mt. Baker Silo) to start late in October.

Contract Price Adjustment:

As a result of this Change Order, the total Contract shall be increased/decreased by the sum of \$0.00 plus sales tax, which the amount Contractor acknowledges is full and complete compensation for the Contract Work including changes incorporated by this Change Order.

This Change Order shall not provide any basis for any other payments to or claims by the Contractor as a result of or arising out of the performance of the work described herein. The new total revised Contract Price is \$0.00 including sales tax.

C. Time of Completion:

The time of completion shall be increased / decreased by 30 calendar days. The revised completion date shall be January 30, 2024.

D. Except as specifically provided herein, all other Contract terms and conditions shall remain unchanged.

CONTRACTOR

Company: _____

Accepted By: _____

Title: _____

Date: _____

PUBLIC UTILITY DISTRICT NO. 1
OF MASON COUNTY, WASHINGTON

Accepted By: _____

Title: _____

Date: _____

BOLDUC WATER SYSTEM EXECUTIVE SUMMARY

Location & Customer Base:

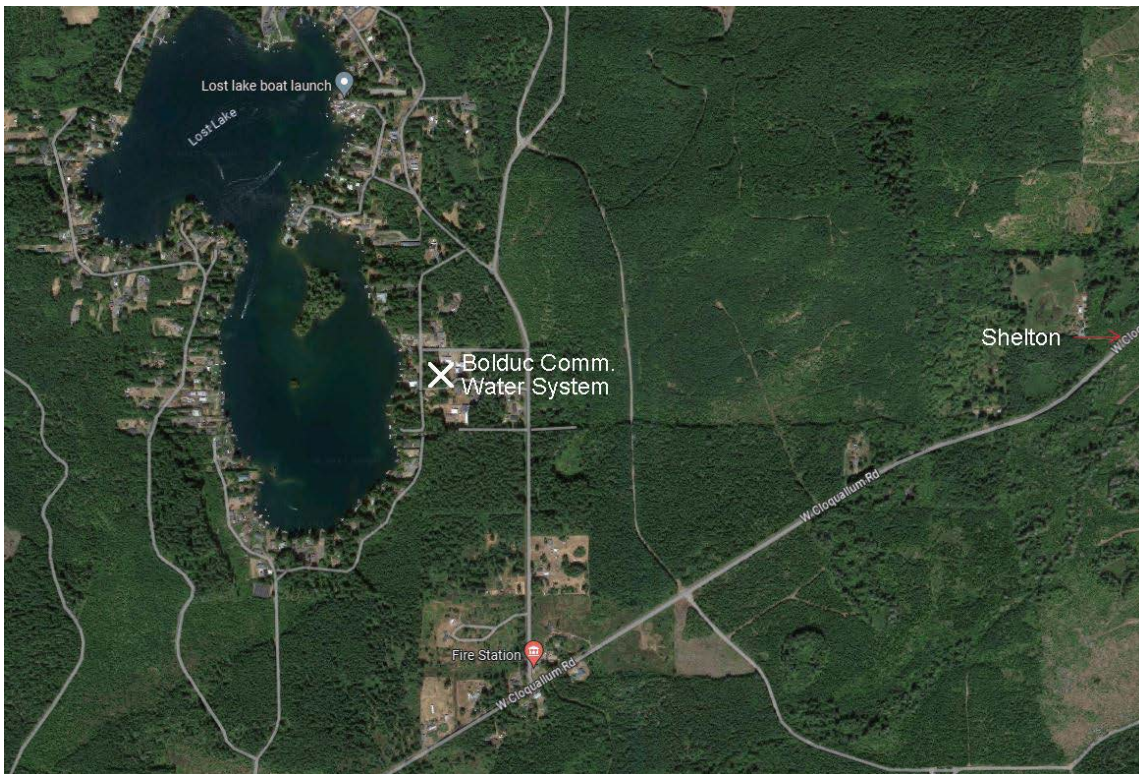
Bolduc Community water system is located along W. Frosty Lane at Lost Lake, approximately eleven miles west of Shelton. The system is a Group A, with 12 full-time connections and a population of 30. The system is approved for 21 connections. The water system is currently changing from a Transient Non-Community to Community, due to the fulltime population growth.

System Specifics:

There is one well and it has a water right of 60 GPM and 36 AC-FT/year. The distribution system consists of 3" and 2" PVC mainline, and the services are not metered. A one-acre parcel is owned by the Bolduc Community Water System and on the parcel, there is a well house that is a cinder block building with six 119-Gallon Bladder tanks and a generator and it is housed in a stick-built building. The well pump was replaced five years ago and two isolation valves on the system were replaced in August 2023. Easements are in place for the water system.

Identified Improvements to Meet PUD Standards:

The observations management made while doing the assessment: both roofs are coming to the end of their life cycle. The generator doesn't have an automatic transfer switch and is running off of gas instead of our preferred propane. The water system will need a state approved Water System Plan. There are no blow-offs at the end of the lines to flush the system and those will need to be installed.



Immediate improvements include: installing service meters and blow-offs, costing approximately \$8,000.00. The longer-term improvements needed are re-roofing both buildings, installing a propane generator with an automatic transfer switch and Water System Plan Part B. Long-term costs for these items are approximately \$65,000 and will be scheduled out over about 10 years.

Calculating Return on Investment

Assuming only 12 customers pay into the water business at approximately \$9,000 per year, with approximately \$73,000 worth of improvements to put into the system over the next 10 years, the system will break even after 8 years. If their water usage is higher than the monthly basic charge or more lots connect to the system, the ROI period will be shorter than 8 years. If there are unforeseen issues, it could go longer. Staff has done their due diligence with system inspection and legal review, and it is the staff's recommendation is to move forward with acquisition and apply for DOH Consolidation Grants for the identified work in this summary.

Brandy Milroy
Water Resource Manager

AGREEMENT

THIS AGREEMENT for the sale and purchase of water system property ("Agreement"), made this ____ day of _____ 2023 (Effective Date) by Bolduc Community Association Inc., a Washington non-profit corporation, ("Sellers"), and MASON COUNTY PUD No. 1, a Washington municipal corporation, 21971 N. Highway 101, Shelton, Washington 98584 ("Purchaser") (individually a "Party" and collectively the "Parties").

WHEREAS, Sellers each own real property the following described real estate located in Mason County, Washington:

The South 200.00 feet of the East 200.00 feet of the West 585.38 feet of the South one-half of the SW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 6, Township 19 North, Range 4 West, W .M., EXCEPTING THEREFROM the South 40 feet. TOGETHER WITH and easement for ingress and egress over and across the South 40 feet of said South one-half of the SW $\frac{1}{4}$ of the SW $\frac{1}{4}$ Section 6, Township 19 North, Range 4 West W.M.

Parcel No. 41906-33-00150.

WHEREAS, Seller is the owner of a domestic water system commonly known as the Bolduc Community Association Inc Water System (the "Water System"), (DOH ID # 07620Q), which is located on, under and in the vicinity of Water System Property being located in Government Lot 10, Section 1 and the Southwest Quarter of the Section lying West of Lost Lake Road, Township 19 North, Range 4 West of Willamette Meridian (legal description of Hanson property) located in Mason County, State of Washington,.

WHEREAS, the Water System consists of one well, one pump, pumphouse, generator, generator house, 6 bladder tanks, approximately 290 linear feet of 3" PVC, approximately 960 linear feet of 2" PVC, approximately 400 linear feet of 1 1/2" PVC, approximately 200' of chain-link fence, and other personal property and intangible property used in connection with the Water System. The Water System also includes certain easements in real property within the Plat and through the Agreement.

WHEREAS, Purchaser is desirous of acquiring and the Sellers' are desirous of selling the real property and Water System on the terms set forth herein.

WHEREAS, the Parties are desirous of entering into an agreement as set forth below.

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, it is mutually agreed:

1. SALE OF WATER SYSTEM. Sellers agree to sell and Purchaser agrees to purchase the Water System in accordance with the terms provided below, including but not limited to the real property listed above and all tangible and intangible assets, water rights, wells,

water mainlines, tanks, well house, pumps and all other assets and property owned by Sellers which constitute the assets of the Water System or in which Sellers have any right, title, or interest in, inchoate or otherwise, of every kind and description, wherever located which may pertain to the Water System or be used there at, including but not limited to all property, tangible or intangible including, , goodwill, processes, leasehold interest, contract rights, equipment warranties, customer lists and telephone numbers and related water system apparatus all known or used in the Water System. The sale does not include cash,, accounts receivable, or any bank accounts.

2. **SALE PRICE/CONSIDERATION:** The sale price of the Water System and real property is One and 00/100 Dollars (\$1.00).
3. **SALE FREE OF ENCUMBRANCES:** Sellers warrant and agrees that this sale is intended to be a sale of the Water System and real property free of encumbrances and that Sellers will satisfy all outstanding obligations accrued through Closing.
4. **REPRESENTATIONS AND WARRANTIES:** Sellers's Representations and Warranties.

4.1 Sellers is legally authorized to enter into this transaction and the execution, delivery and performance of this Agreement and any and all agreements contemplated herein has been duly authorized, and no further action is necessary on the part of Sellers to make this Agreement fully and completely binding upon Sellers in accordance with its terms. The person executing the Agreement on Sellers's behalf warrants his or her authority to do so and to bind the Sellers.

4.2 **Delivery of Information.** Sellers will deliver to Purchaser within 10 days following the Effective Date full and complete copies of (1) any proposed building plans and specifications for the Water System, including civil plans, underground utilities, mechanical, electrical, well reports, water rights and any other engineering plans; and (2) any environmental reports, soil reports and compaction studies, inspections, surveys and other related studies in Sellers's possession.

4.3 **Other Agreements.** There are no other contracts or agreements in force or effect for sale of all or any portion of the Water System that would survive Closing and Sellers shall not, without the prior written consent of Purchaser enter into any such contracts or agreements between the date hereof and the earlier of Closing or termination of this Agreement. As of Closing, Sellers shall terminate or cause to be terminated any and all agreements affecting the Water System including, but not limited to, leases, maintenance, management, security, service, supply and other similar contracts and agreements and shall terminate all personnel employed in connection with the Water System.

4.4 **Litigation.** Other than as disclosed to Purchaser in writing, Sellers are unaware of any action, suit, investigation or proceeding (administrative or otherwise) pending or threatened against or affecting the Water System or any portion of it, the transactions

contemplated hereby, or which might affect the right of Purchaser to own, operate, develop or possess or which might have material effect on the Water System or result in any liability of Purchaser with respect thereto.

4.5 Condemnation. Sellers have no knowledge of any pending or threatened governmental proceeding or any other fact or condition which would limit or result in the termination of any current easement, permit or access to the Water System or in the reduction in the size or capacity of the Water System.

4.6 Compliance with Laws. To the best of its knowledge, except as has been disclosed in writing to Purchaser, Sellers have kept and maintained the Water System in compliance with and has not caused or permitted the Water System, or any improvements located thereon to be in violation of any environmental law, building law, or zoning regulation, and Sellers is unaware of any material defect in the premises or improvements thereon.

4.7 Utilities. All utilities and water lines required for the operation of the Water System are located on public streets or rights-of-way with authorization of the governmental authorities, or if they pass through private land, do so in accordance with valid public easements or private easements which will inure to the benefit of Purchaser. All of said public utilities are installed and charges have been paid in full, and the right to the return of any deposit or contribution in connection therewith shall inure to Sellers.

4.8 Hazardous Materials. Sellers represent and warrant to Purchaser that except as otherwise disclosed by Sellers to Purchaser in writing within 10 days of the Effective Date, (1) neither the Water System nor any real estate in the vicinity of the Water System is in violation of any federal, state, local or administrative agency ordinance, law, rule, regulation, order or requirement relating to environmental conditions or Hazardous Material ("Environmental Laws"); (2) neither Sellers nor any third party have used, manufactured, generated, treated, stored, disposed of, or released any Hazardous Material on, under or about the Water System or real estate in the vicinity of the Water System or transported any Hazardous Material over the Property in the vicinity of the Water System, (3) neither Sellers nor any third party have installed, used or removed any Hazardous Materials storage tank on, from or in connection with the Property in the vicinity of the Water System, and there are no storage tanks or wells other than those currently serving the Water System (whether existing or abandoned) located on, under, or about the Property in the vicinity of the Water System and (4) the Water System does not consist of any building materials that contain Hazardous Material. For the purposes hereof, "Hazardous Materials" shall mean any substance, chemical, waste or other material which is listed, defined or otherwise identified as "hazardous" or toxic under any federal, state, local or administrative agency ordinance or law, as well as any formaldehyde, urea, polychlorinated biphenyls, petroleum, petroleum product or by-product, crude oil, natural gas, synthetic gas, radon, lead and asbestos. If Sellers and/or Purchaser discovers or determines the existence or any Hazardous Materials or other condition that exists, including the presence of asbestos, as of and/or prior to Closing, the result of which may require remedial action pursuant to any Federal, state or local

law for the completion of Purchaser's intended redevelopment of the Water System (including demolition of any improvements), the party shall promptly notify the other of such Hazardous Materials or environmental condition and Sellers shall take any and all appropriate action in response thereto at its cost ("Sellers's Obligation").

4.9 Flood Zone. To the best of Sellers's knowledge, the Water System is not located within a flood zone.

4.10 Change in Circumstances. Upon notification of any fact that would change any of the representations or warranties contained herein, Purchaser shall have the option of (a) waiving the breach of warranty that would be caused by such change, (b) agreeing with Sellers to adjust the terms hereof to compensate Purchaser for such change, or (c) terminating the Agreement. If such fact is different because of a misrepresentation of Sellers, then the options stated in the previous sentence shall be in addition to any other remedy available to Purchaser at law or in equity. As used in the Agreement, Sellers' knowledge includes the knowledge of any agent, officer, member, manager or general partner of Sellers and any agent thereof.

4.11 Condition of Equipment: Sellers represents that: 1) The Water System is in good operating condition except as disclosed in writing to Purchaser; 2) Sellers are in title to the Water System and there are no encumbrances or liens against any assets that will survive Closing; 3) Sellers shall maintain the Water System in its current condition until Closing.

5. REPRESENTATIONS AND WARRANTIES: Purchaser's Representations and Warranties.

5.1 Organization and Authority. Purchaser is a Washington municipal corporation in good standing and has the right, power and authority to enter into this Agreement, to execute all documents and instruments contemplated by this Agreement, to consummate this transaction and to perform all other obligations to be performed by Purchaser under the terms of this Agreement. The execution, delivery and performance of this Agreement and all agreements, documents and instruments contemplated hereby have been duly authorized by all necessary action on the part of Purchaser.

5.2 No Violation. Neither the execution and delivery of this Agreement; the consummation of the transaction contemplated hereby; nor the performance by Purchaser of, and compliance by Purchaser with, any of the provisions of this Agreement will violate any provision of Purchaser's organizational documents.

6. RECORDS AND COOPERATION. Sellers shall provide Purchaser with all relevant records pertaining to the Water System. Sellers's representative shall cooperate and attempt to provide Purchaser with information necessary for an easy transition of operation of the Water System to Purchaser at no further expense to Purchaser. Purchaser shall place its own keys on the well house and water reservoir at the date of

Closing.

7. ASSIGNMENT OF EASEMENTS AND RIGHTS. The Water System has certain water rights and easement rights that are of record, on file with the State of Washington Department of Ecology or described in documents of record. There are easements where other water system facilities are located. Sellers will execute an "Assignment of Easements and Water Rights" in recordable form at Closing. This Assignment of recorded rights will be with warranty and Sellers agree to list, to the best of Sellers's knowledge, areas where Sellers have easements, rights or claims of easements and rights. Sellers agree to cooperate and sign any necessary documents in order to secure the assignment of any and all water rights utilized by the Water System. The form of Assignment is attached hereto as ***Exhibit "B"*** and incorporated herein by this reference.
8. CONVEYANCE OF PERSONAL PROPERTY: Title to the real property shall be by Statutory Warranty deed. Title all personal property, tangible and intangible, shall be conveyed with warranty of free and unencumbered title by Bill of Sale. The form of the Bill of Sale is attached hereto as ***Exhibit "C"*** and incorporated herein by this reference.
9. CAPACITY OF SYSTEM: Purchaser shall not connect customers to the Water System unless such additional service is approved by the Washington State Department of Health, the Washington State Department of Ecology and any other applicable regulatory agency. Purchaser assumes no obligation or liability of Sellers by entering this agreement for the provision of service to any property unless such connection is within the capacity of the Water System and approved by applicable regulatory agency. Purchaser agrees to work towards making improvements to the Water System to increase additional capacity only as a discretionary governmental function when, in the sole discretionary judgment of the governing board, resources and sound business judgment justify such improvement or expansion.
10. HOLD HARMLESS: Sellers shall indemnify and hold harmless Purchaser, its successors, and assigns from any and all claims of whatsoever nature arising out of, or in any way connected to the Water System for any acts or omissions occurring before the sale of the assets herein and in addition, against any and all damages, resulting from any breach of any representation, warranty, or agreement set forth in this Agreement, or the untruth or inaccuracy thereof. This indemnification and hold harmless provision includes actual attorneys' fees and legal costs, and includes but is not limited to expert witness fees and costs.

Purchaser shall indemnify and hold harmless Sellers from any and all claims of whatsoever nature arising out of, or in any way connected to the Water System for any acts or omissions occurring after the sale of the assets herein and, in addition, against any and all damages resulting from any breach of any representation, warranty or agreement set forth in this Agreement, or the untruth or inaccuracy thereof. This indemnification and hold harmless includes actual attorneys' fees and legal costs, and includes but is not limited to expert witness fees and costs.

11. **TITLE INSURANCE:** Within three days of the execution of this Agreement Sellers authorizes closing agent to order from Aegis Land Title Insurance Company a preliminary commitment for title insurance. Purchaser shall have 7 days from receipt of the preliminary commitment to accept or reject the condition of the title in its sole discretion. If written notice is given within such period by Purchaser to Sellers of such unacceptability and Sellers cannot satisfy the Purchaser's concerns within 30 days of such notice being sent, then this Agreement shall terminate and become null and void as if it had never been entered into.
12. **PURCHASER'S OPTIONAL INSPECTIONS:** Purchaser may, in Purchaser's sole discretion, conduct inspections of the Water System within 30 days of the mutual acceptance of this Agreement. The evaluation may include, but not be limited to engineering evaluation, site inspections, surveys, well tests, water tests, pressure test, electrical, soils and/or topographical studies. Purchaser, its agents and assigns, shall be permitted full access to the Property and Water System during the site evaluation process upon reasonable advanced notice to Sellers. Purchaser shall be responsible for the costs of any optional inspection. In the event, in Purchaser's opinion, the report(s) show(s) the necessity for substantial repairs unacceptable to Purchaser, Purchaser may give notice of intent to terminate this Agreement by delivering to Sellers a written notice, together with copy(ies) of said report(s).
13. **CLOSING COSTS:** Sellers shall pay their own attorney's fees, if any, and Purchaser shall pay all other closing costs. All taxes, utilities and other accounts shall be prorated as of Closing.
14. **LEGAL RIGHTS:** This Agreement affects the legal rights and obligations of the parties. Each party has employed the services of attorneys to review and draft this Agreement. All parties participated in the drafting of this Agreement and therefore the rule of construction interpreting this document against its drafter shall not apply.
15. **ASSIGNMENT:** Purchaser's rights under this Agreement may be assigned by Purchaser.
16. **NOTICES:** Any and all notices required or permitted to be given under this Agreement must be given in writing by certified mail, return receipt requested to the following addresses:

Purchaser:

To:

Kristin Masteller
PUD No. 1 of Mason County
N 21971 Hwy. 101
Shelton WA 98584

And to:

Robert W. Johnson, P.L.L.C.
P.O. Box 1400
Shelton, WA 98584

Sellers:
To:

Bolduc Community Association Inc
C/O Tom Carroll
PO Box 412
Shelton, WA 98584

Any Party to this Agreement may change the address of that Party to which notices may be sent hereunder by addressing notice of such change in the manner above.

17. COMPUTATION OF TIME: Unless otherwise specified, any notice or other period of time in this Agreement shall commence on the day following receipt of the notice, and shall expire at 9 p.m. of the last day, unless the last day is Saturday, Sunday, or State legal holiday, in which event the time shall expire at 9 p.m. on the next business day.
18. FACSIMILE TRANSMISSION: The transmission of any signed original document, and transmission or retransmission of any signed facsimile transmission, shall be the same as delivery of an original. At the request of either Party, or the closing agent, the Parties will confirm facsimile transmitted signatures by signing an original document.
19. CLOSING: This transaction shall be closed on _____. Closing may be sooner by mutual agreement. "Closed" and/or "Closing" means the date the sale proceeds are available to Sellers. Purchaser and Sellers will, on demand of either, deposit with closing agent all documents and monies requested to complete the transaction. It is understood that there are no verbal or other agreements that modify or affect this Agreement. If, prior to Closing, any portion of the Water System shall be destroyed or materially damaged by fire or other casualty, this agreement, at option of Purchaser, shall become null and void. Closing agent shall be Mason County Title Insurance Company.
20. POSSESSION: Purchaser shall be entitled to possession on Closing.
21. DEFAULT AND ATTORNEY'S FEES: In the event of default by either Party, the non-defaulting Party shall have the election to either: Collect actual damages or obtain specific performance together with any incidental damages. If any Party institutes suit under this Agreement, the prevailing Party is entitled to court costs and a reasonable

attorney's fee. In the event of trial, the court shall fix the attorney's fee. The venue of any suit shall be Mason County, Washington.

22. MODIFICATION: This Agreement and the rights and duties hereunder may not be modified, revised or terminated except by a writing signed by all Parties hereto or their duly authorized representative.

23. COUNTERPARTS: This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same agreement of the Parties.

24. GOVERNING LAW: This Agreement shall be construed in accordance with the laws of the State of Washington.

25. SURVIVAL OF TERMS: The warranties, representations and provisions of this Agreement shall survive Closing and shall not merge into the final documents.

26. SEVERABILITY: If any provision of this Agreement is held invalid or unenforceable by a court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

Bolduc Community Association Inc:

Mason County PUD No. 1

by:

by: Kristin Masteller, its manager

EXHIBIT "A"
SALE ASSETS

Well

Well pump

Pumphouse

Electrical and Controls

Bladder tanks

Gas Generator

Generator Building

Source Meter

Fencing

Distribution System: 3", 2", 1 ½" PVC water lines

Tangible or intangible property including, , goodwill, processes, contract rights, equipment warranties, customer lists and telephone numbers and related water system apparatus all known or used in the Water System but shall not include accounts receivable, bank accounts or cash on hand.

EXHIBIT "B"

AFTER RECORDING RETURN TO
ROBERT W. JOHNSON, P.L.L.C.
P.O. BOX 1400
SHELTON, WA 98584

DEED OF EASEMENTS AND RIGHTS

THE UNDERSIGNED, Bolduc Community Association Inc ("Assignor), hereby warrants, conveys, and assigns to Mason County PUD No. 1 ("Assignee"), all of its right, title and interest, if any, in the easements, water rights and other rights, real or personal, associated with the Bolduc Community Association Inc Water System.

The Assignors operates a water system known as Bolduc Community Association Inc Water System (the "Water System") in Mason County, Washington. The Assignor has certain improvements located within the easements and rights of way in Government Lot 10, Section 1 and the Southwest Quarter of the Section lying West of Lost Lake Road, Township 19 North, Range 4 West of Willamette Meridian (legal description of Hanson property) located in Mason County, State of Washington, and the Assignor assigns such rights.

The Assignors claims by prescriptive easement rights where record rights do not exist for any improvements related to the Water System together with the right to access associated improvements.

The Assignors warrant any easements or rights described herein and has claimed the rights during the ownership of the Water System.

There is no independent monetary consideration as part of this Assignment.

Bolduc Community Association Inc:

by:

STATE OF WASHINGTON)

COUNTY OF _____):SS

On this ____ day of _____, 2023, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____ to me known to be the _____ of the Bolduc Community Association Inc, a Washington corporation, to me known to be the individual, who executed the foregoing instrument, and acknowledged he/she said instrument to be the free and voluntary act and deed of said corporation, and on oath stated that he was authorized to execute the said instrument.

Witness my hand and official seal hereto affixed the day and year first above written.

Notary Public in and for the State of
Washington, residing at _____
My Commission expires:

EXHIBIT "C"

BILL OF SALE

THE UNDERSIGNED, owner of the personal property described herein ("Seller") in and for the consideration of \$1.00 and other valuable consideration, does hereby transfer, assign, convey, warrant and sell unto Mason County PUD No. 1 ("Purchaser") all interest and title in the below-described property free and clear of any encumbrances:

Description: All of the Water System known as the Bolduc Community Association Inc., Water System (DOH ID # 07620Q) which is located on, under and in the vicinity of Water System real property located in Mason County, Washington (the "Water System"), including, but not limited to the water lines, pumps, tanks, well, meters, and related equipment consisting of all of the Water System; together with Seller's interest in the easement in the rights of way where the water lines are located at the well site and in the service area which is located on, under and in the vicinity of the Government Lot 10, Section 1 and the Southwest Quarter of the Section lying West of Lost Lake Road, Township 19 North, Range 4 West of Willamette Meridian (legal description of Hanson property) located in Mason County, State of Washington,.

The undersigned warrants that the property subject to this Bill of Sale is free of encumbrances or will be at Closing except as provided in the Agreement. The undersigned will warrant and defend the sale of said property hereby made unto Purchaser against all and every person whomever so claiming.

DATED this ____ day of _____, 2023.

Bolduc Community Association Inc:

by:



PUBLIC UTILITY DISTRICT NO. 1
OF MASON COUNTY
N. 21971 Hwy. 101
Shelton, Washington 98584

BOARD OF COMMISSIONERS
MIKE SHEETZ, Commissioner
JACK JANDA, Commissioner
RON GOLD, Commissioner

SMALL WORKS PROJECT

CHANGE ORDER FORM

No. 01

The following changes are hereby incorporated into this Contract:

A. Description of Change:

As per attached.

B. Contract Price Adjustment:

As a result of this Change Order, the total Contract shall be increased/decreased by the sum of \$136,650.00 plus sales tax, which the amount Contractor acknowledges is full and complete compensation for the Contract Work including changes incorporated by this Change Order.

This Change Order shall not provide any basis for any other payments to or claims by the Contractor as a result of or arising out of the performance of the work described herein. The new total revised Contract Price is \$964,644.21 including sales tax.

C. Time of Completion:

The time of completion shall be increased / decreased by 0 calendar days. The revised completion date shall be n/a.

D. Except as specifically provided herein, all other Contract terms and conditions shall remain unchanged.

CONTRACTOR

Company: BZR Power Division LLC

Accepted By: Jess Z. Hays

Title: Signer

Date: 10-16-2023

PUBLIC UTILITY DISTRICT NO. 1
OF MASON COUNTY, WASHINGTON

Accepted By: _____

Title: _____

Date: _____

10/09/23

BZR Power Division LLC

PROJECT: Hill Way Overhead to Underground

DESCRIPTION: Progress Payment

Invoice #2023-03

Jess Zitlau
(208) 869-7171
bzrpower@outlook.com
CCB# 229425
ID: RCE-51720
4777 S Cree Way
Boise ID 83709

Description	Total
Trench Excavation and Safety Systems (Material Only)	✓ \$2,800.00
3 Phase Riser (Material Only)	✓ \$18,600
3 Phase Underground Vault (Labor Cost)	✓ \$26,000.00
3 Phase J-Box/Cabinet (Material Only)	✓ \$9,000.00
1 Phase Underground Install (Material Only)	✓ \$22,100.00
1 Phase J-Box/Vault (Material Only)	✓ \$4,000.00
Spare 3" Schedule 40 Conduit (Material Only)	✓ \$75,600.00
Guy/Anchor (Material Only)	✓ \$675.00
Pole Installation (Material Only)	✓ \$11,500.00
Route Clearing, Grading & Restoration (Labor \$8,600.00 and Material \$2,150.00)	✓ \$10,750.00
Changing wire from 350 MCM to 500 MCM (Material Only)	\$136,650.00
Sub Total (Material Only)	\$283,075.00
Sub Total (Labor Only)	\$34,600.00
Sub Total Labor and Material	\$317,675.00
WA State Sales Tax 8.5% (\$317,675.00 X 8.5%)	\$27,002.37
Sub Total	\$344,677.37
5% Retainage (\$344,677.37 X 5%)	(\$17,233.86)
TOTAL	\$327,443.51

3 Ph underground - Added to install

8/29/23

BZR Power Division LLC

PROJECT: Hill Way Overhead to Underground

DESCRIPTION: Progress Payment

Invoice #2023-02

Jess Zitlau
(208) 869-7171
bzrpower@outlook.com
CCB# 229425
ID: RCE-51720
4777 S Cree Way
Boise ID 83709

Description	Total
3 Phase Underground Install (Materials only)	✓ \$270,400.00
3 Phase Underground Vault (Materials only)	✓ \$42,000.00
WA State Sales Tax 8.5%	\$26,554.00
TOTAL	\$338,954.00

September 22, 2023



Mason County PUD No. 1
Katie Arnold, Chief Administrative Officer
21971 North Highway 101
Shelton, WA 98584
karnold@mason-pud1.org

RE: Loan Contract Number: DWL28365-0

Dear Katie;

Enclosed is the Drinking Water State Revolving Fund Loan Contract Number identified above for your signature. The Loan Contract details the terms and conditions that will govern the agreement between us, which includes the project's Scope of Work as a formal attachment. Failure to return the contracts within 60 calendar days of the date of this letter may result in your loan offer being withdrawn.

Review, print and sign the document. Once signatures are obtained, scan and return by email to dohcon.mgmt@doh.wa.gov or print and sign a hard copy, and return the originals to us for full execution.

Please note that the U.S. Environmental Protection Agency is the funding source for this program and the Catalog of Federal Domestic Assistance (CFDA) number is 66.468. Consequently, the loan funds are federal and subject to both state and federal requirements.

A non-refundable one-percent loan administration fee will be collected at contract execution (If applicable), including any subsequent amendments where funds are added. The loan amount may be modified to include an amount sufficient to cover the one-percent loan administration fee. In most cases, the fee will be collected in full at contract execution. Please review the terms and conditions of the Loan Contract and all attachments carefully for details.

A requirement of the DWSRF program is that you must maintain updated project records and yearly renewal of your registration in the System for Award Management at www.sam.gov.

Another requirement of the DWSRF program is that all entities are required to verify that the federal government has not suspended or debarred them from receiving federal funds. This includes, but is not limited to, project contractors, subcontractors, engineers, architects, consultants, and equipment vendors. The Exclusion Report can be accessed at www.sam.gov. Failure to provide this required certification may result in termination of your loan contract.

After the Loan Contracts have been signed by the Department or its designee, one fully executed original will be returned to you for your files. Instructions for drawing the loan funds will be returned to you with the executed Loan Contract, as well as the necessary forms. The Loan Contract specifies that draws may be made for costs that have been incurred within the contract period of performance, and which have supporting documentation such as receipts or bills.

We are looking forward to working with you over the course of this project. If you have any questions about this Loan Contract, please contact me.

Sincerely,
Eloise Rudolph
DOH Contract Manager
206.236.3124
Eloise.Rudolph@DOH.WA.GOV

Enclosures:

ATTACHMENT I: SCOPE OF WORK (PROJECT)
ATTACHMENT II: ATTORNEY'S CERTIFICATION
ATTACHMENT III: FEDERAL AND STATE REQUIREMENTS
ATTACHMENT IV: DISADVANTAGED BUSINESS ENTERPRISE REQUIREMENTS
ATTACHMENT V: CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS
ATTACHMENT VI: DWSRF ELIGIBLE PROJECT COSTS
ATTACHMENT VII: LABOR STANDARD PROVISIONS FOR SUBRECIPIENTS THAT ARE GOVERNMENTAL ENTITIES

Washington State Department of Health

DWSRF Municipal Loan Boilerplate

May 2018

Version History		
Date	Revision(s)	Version
05-15-2018	Original - developed via a team of the DWSRF Grant and Loan Unit Supervisor, the DOH Office of Drinking Water Finance Director, the DOH Office of Contracts and Procurement Technical and Policy Advisor, and DOH's Financial Services Assistant Attorney General.	1

1. CONTRACT FACE SHEET

2023-4140 Loan Number: DWL28365-0
Washington State Department of Health (DOH)
Drinking Water State Revolving Fund (DWSRF)
Municipal

1. Borrower Mason County PUD No. 1 21971 N. Hwy. 101 Shelton, WA 98584		2. Borrower Doing Business As (optional)	
3. Borrower Type Construction Loan		4. Borrower's Statutory Authority	
5. Borrower Contract Manager Information Name Katie Arnold Title Chief Administrative Officer Phone 360-877-5249 x219 email: karnold@mason-pud1.org		6. DOH Contract Manager Eloise Rudolph P.O. Box 47822 Olympia, WA 98504-7822 360.236.3124 Eloise.Rudolph@doh.wa.gov	
7. Project Name: Bay East, Manganese Treatment			
8. Loan Amount: \$139,100.00 Loan Fee: \$0.00 Interest Rate: 1.75%	9. Funding Source Federal: <input checked="" type="checkbox"/> State: <input type="checkbox"/> Other: <input type="checkbox"/>	10. Start Date DOE	11. End Date 10/01/2047
12. Federal Funding Agency Environmental Protection Agency Catalogue of Federal Assistance (CFDA) Number 66.468			
13. Borrower Tax ID # 91-6001048	14. SWV # 0028711-00	15. Borrower UBI # 232000374	16. Borrower UEI# KD7HQJF4JNC9
17. Contract Purpose DOH and the party identified above as Borrower, hereafter referred to as BORROWER, have entered into this contract to fund the project identified above that furthers the goals and objectives of the DOH DWSRF Program. The project will be done by the BORROWER as described in the scope of work and this contract. The rights and obligations of the parties are governed by this contract and the following documents incorporated by reference: General Terms and Conditions including Declarations; Attachment I: Scope of Work (Project); Attachment II Attorney's Certification; Attachment III: Federal and State Requirements; Attachment IV: Disadvantaged Business Enterprise Requirements; Attachment V: Certification Regarding Debarment, Suspension, and Other Responsibility Matters; Attachment VI: DWSRF Eligible Project Costs; and Attachment VII: Labor Standard Provisions for Subrecipients that are Governmental Entities. By the signature below, the parties acknowledge and accept the terms of this contract.			
FOR CONTRACTOR SIGNATURE AND DATE		FOR DOH -SIGNATURE and DATE	
NAME and TITLE		-NAME and TITLE APPROVED AS TO FORM ONLY Mark Calkins, AAG Signature on File	

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ATTACHMENT I	SCOPE OF WORK (PROJECT)
ATTACHMENT II	ATTORNEY'S CERTIFICATION
ATTACHMENT III	FEDERAL AND STATE REQUIREMENTS
ATTACHMENT IV	DISADVANTAGED BUSINESS ENTERPRISE REQUIREMENTS
ATTACHMENT V	CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS
ATTACHMENT VI	DWSRF ELIGIBLE PROJECT COSTS
ATTACHMENT VII	LABOR STANDARD PROVISIONS FOR SUBRECIPIENTS THAT ARE GOVERNMENTAL ENTITIES

3. DECLARATIONS

3.1. BORROWER INFORMATION

Legal Name:	Mason County PUD #1
Loan Number:	DWL28365-0
Award Year:	2023
State Wide Vendor Number:	0028711-00

3.2. PROJECT INFORMATION (PROJECT)

Project Title:	Bay East Manganese Treatment
Project Location (City or County):	Mason
Project State:	Washington
Project Zip Code:	98584

Project Scope of Work (PROJECT): Attachment I, attached hereto and incorporated by reference.

3.3. CONTRACT COMMUNICATION

Communications regarding Contract performance is delegated by each party to its Contract Manager. Either party may change its Contract Manager by express notice to the other party. Either party may identify on an as needed basis an alternate Contract Manager to serve during the stated temporary absence of its primary Contract Manager. Notices between the parties regarding Contract performance must be provided by written communication to the other party's Contract Manager. Written communication includes email but not voice mail. Notices are presumed received by the other party's Contract Manager upon evidence of delivery between the hours of 8:00 am to 5:00 pm except for state holidays and weekends.

3.4. LOAN INFORMATION

Loan Amount:	\$139,000.00 PFAS
Loan Fee (Included in loan amount if applicable):	\$0.00
Principal Loan Forgiveness %:	100%
Loan Term:	24 Years
Interest Rate:	1.75%
Payment Month(s):	October 1 st Annually
Earliest Date for Construction Reimbursement:	12 months prior to contract execution.
Time of Performance:	48 months from Contract start date (date of last signature) to Project Completion date.

Notice to Proceed:	18 months from Contract start date (date of last signature)
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3.5. FUNDING INFORMATION

Total Funds from BORROWER:	N/A
Source(s) of Funds from Borrower, with assigned amounts per source:	To be determined
Total State Funds:	To be determined
Total Amount of Federal Award (as applicable):	To be determined
Total Amount of Loan:	\$139,100.00
Federal Award Date:	To be determined
Federal Award ID # (FAIN):	To be determined
Amount of Federal Funds Obligated by this Action:	To be determined

3.6. SPECIAL TERMS AND CONDITIONS

N/A

4. GENERAL TERMS AND CONDITIONS

DRINKING WATER STATE REVOLVING FUND (MUNICIPAL)

4.1. AUTHORITY

Acting under the authority of Section 1452 of the Safe Drinking Water Act (SDWA) Section 130, RCW 39.34, RCW 43.70.040, and RCW 70.119A.170 the Washington State Department of Health (DOH) has awarded BORROWER a Drinking Water State Revolving Fund Loan (LOAN) for the project identified in the Declarations (PROJECT). Under this CONTRACT, BORROWER is a sub-recipient of funds provided by the United States Environmental Protection Agency (EPA), CFDA Number 66.468, Safe Drinking Water State Revolving Fund.

In some CONTRACT attachments, DOH is referred to as "Lender" and BORROWER is referred to as "Contractor."

4.2. FULL AGREEMENT

This CONTRACT contains the full agreement of the parties. No other understandings, oral or otherwise, regarding the subject matter of this CONTRACT exists.

4.3. ORDER OF PRECEDENCE

In the event of an inconsistency in this CONTRACT, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence in the following order: The order of precedence for terms and conditions under categories B and C is subject to the proviso that when a contract term or condition appears in more than one contract document, the more specific contract term or condition shall control if the different contract provisions cannot be harmonized.

- A. Applicable local, state, and federal statutes and regulations
- B. Contract amendments
- C. The Contract (in this order)
 - Declarations and Special Terms and Conditions
 - General Terms and Conditions
 - Attachments I – VII

4.4. LOAN AMOUNT

DOH, using funds from the Drinking Water Assistance Account, will loan BORROWER a sum not to exceed the amount shown as LOAN AMOUNT in the Declarations. The LOAN AMOUNT shall not exceed one hundred percent (100%) of the actual eligible PROJECT costs.

4.5. LOAN FEE

If DOH assessed a LOAN FEE, it is shown in the Declarations as LOAN FEE and included in the total LOAN AMOUNT. The fee (if applicable) is one percent (1%) of the loan request and will not be reduced, regardless of the final LOAN AMOUNT at PROJECT completion. If the LOAN FEE applies and the total LOAN AMOUNT is increased by amendment, DOH will assess an additional LOAN FEE equal to one percent (1%) of the additional LOAN AMOUNT. LOAN FEES are non-refundable.

4.6. LOAN TERM

Unless changed by an amendment, the LOAN TERM will not exceed the period of time shown in the Declarations. The repayment period for DOH subsidized loans is twenty-four (24) years from this CONTRACT's start date. The repayment period for non-DOH subsidized loans is twenty (20) years from this CONTRACT's start date.

4.7. INTEREST RATE

The interest rate is stated in the Declarations. Interest is per annum on the outstanding principal balance and starts to accrue from the date DOH releases LOAN FUNDS to BORROWER.

4.8. LOAN FORGIVENESS

If the LOAN qualifies for LOAN Forgiveness, the percent of the LOAN balance that DOH will forgive at PROJECT completion is stated in the Declarations. DOH calculates the amount forgiven when DOH approves the BORROWER's Project Completion Report. The amount forgiven will be based on either the LOAN AMOUNT or BORROWER's ELIGIBLE PROJECT COSTS, whichever is less, and accrued interest.

4.9. RELEASE OF LOAN FUNDS AND REQUIRED DOCUMENTATION

DOH will release LOAN funds to BORROWER to reimburse BORROWER for eligible PROJECT costs. To request reimbursement, BORROWER must submit a signed and completed invoice using a form provided by DOH. The invoice must reference the PROJECT activity performed, and include supporting documentation such as bills, invoices, receipts, and documentation of compliance with CONTRACT requirements as requested by DOH. The invoice must be signed by an official of BORROWER with authority to bind BORROWER.

Invoices must also include a report of the progress made since the last invoice, and the PROJECT status to date. DOH will not release funds until the PROJECT status report and documentation are approved by DOH. Approval will not be unreasonably withheld or delayed. After approving the invoice, documentation, and PROJECT status report, DOH will release funds to BORROWER within thirty (30) days, if BORROWER is not in alleged or actual breach of CONTRACT.

DOH will withhold ten percent (10%) of LOAN funds until DOH confirms that BORROWER has successfully completed all steps for PROJECT COMPLETION. The 10% holdback will be available to BORROWER as part of the last LOAN disbursement.

4.10. TIME OF PERFORMANCE

BORROWER will begin the activities in the PROJECT within thirty (30) calendar days of the CONTRACT start date. BORROWER will issue a 'Notice to Proceed', after the formal award of a construction contract, within eighteen (18) months of the CONTRACT start date.

BORROWER must reach PROJECT COMPLETION within the TIME OF PERFORMANCE. If there are extenuating circumstances, BORROWER may request, in writing, at least ninety (90) calendar days prior to the PROJECT COMPLETION that DOH extend the deadline for PROJECT COMPLETION. At its discretion, DOH may issue an extension. DOH's decision is final and not subject to the dispute clause.

If BORROWER does not meet the requirements of this section, it is a breach of CONTRACT, and DOH may terminate or suspend this CONTRACT.

4.11. PROJECT COMPLETION AMENDMENT AND THE PROJECT COMPLETION REPORT

The PROJECT Completion Amendment determines the final LOAN AMOUNT and LOAN TERM. When activities in the PROJECT are complete, BORROWER will start the process for the PROJECT Completion Amendment by sending DOH the PROJECT Completion Report. In the PROJECT Completion Report, BORROWER will provide the following information to DOH:

- A. A statement of the actual dollar amount spent, from all fund sources, to complete the PROJECT.
- B. A statement that all ELIGIBLE PROJECT COSTS have been incurred. Costs are incurred when goods and services are received and/or contracted work is performed.
- C. Evidence showing BORROWER'S compliance with financial the audit requirements of this CONTRACT.
- D. An invoice for the remaining ELIGIBLE PROJECT COSTS.
- E. Documentation of BORROWER's compliance with National Historic Preservation Act, 54 USC Subtitle III.

4.12. LOAN PAYMENTS

BORROWER must begin repaying the LOAN no later than one (1) year after the CONTRACT start date. Payments are due on the first day of the month(s) shown as the PAYMENT MONTH(S) in the Declarations. The first payment is only the interest accrued at that time. All other payments are principal and interest accrued up to the PAYMENT

MONTH(S).

BORROWER can repay in full the LOAN balance, including fees and repayment of LOAN FUNDS for ineligible project costs (if any), at any time or make accelerated payments without penalty. The final payment must be on or before the end of the LOAN TERM.

4.13. LOAN DEFAULT

DOH must receive BORROWER'S payment within thirty (30) calendar days of the due date. Late payments are delinquent and assessed a monthly penalty on the first (1st) day past the due date. The penalty is one percent (1%) of the late payment amount per month. Penalty and fees accrue interest at the rate stated as LOAN INTEREST in the Declarations.

DOH may notify any other entity, creditors, or potential creditors of BORROWER's delinquency. BORROWER is responsible for all attorney fees and costs incurred by DOH in any action taken to enforce its rights under this section, including in any alternative dispute resolution proceeding.

4.14. LOAN SECURITY

LOAN Security is only required if identified in the Declarations. In its sole discretion and if allowed under the EPA regulations relevant to this Contract, DOH may subordinate its LOAN security to Borrower's obligations under existing or future bonds and notes. Nothing in this section releases BORROWER from the obligation to make LOAN PAYMENTS when due, and to adjust rates, fees, or surcharges as necessary to meet its obligations under this CONTRACT.

4.15. AMENDMENTS, MODIFICATIONS, ASSIGNMENTS, AND WAIVERS

Amendments, modifications, assignments, and waivers to any of the terms of this CONTRACT supersede, if applicable, those terms as found in the original CONTRACT, and are not binding unless they are in writing and signed by representatives authorized to bind each of the parties. Only the authorized representative or their designee has the express, implied, or apparent authority to alter, amend, assign, modify, or waive any terms of this CONTRACT.

Neither this CONTRACT nor any claim arising under it may be transferred or assigned by BORROWER without DOH's prior written consent. During the LOAN TERM, DOH must approve in advance, any change in ownership of the water system(s) improved with LOAN FUNDS. DOH may require the LOAN, including fees and ineligible project costs (if any), be paid in full as a condition of approval.

Nothing in this CONTRACT may be waived unless approved by DOH in writing. No waiver of any default or breach is implied from any failure to take action upon such default or breach if the default or breach persists or repeats. Waiver of any default or breach is not a waiver of any subsequent default or breach.

4.16. BUILD AMERICA, BUY AMERICA

None of the LOAN funds can be used for the construction, alteration, maintenance, or repair of a public water system or treatment works unless all of the iron and steel, manufactured products, and construction materials used in the project to be produced in the United States ("Build America, Buy America Requirements") including iron and steel, manufactured products, and construction materials provided by the Contactor pursuant to this Agreement. The Contractor hereby represents and warrants to and for the benefit of the Owner and Funding authority.

DOH may waive this requirement if:

- A. Compliance would be inconsistent with the public interest; or
- B. The particular products are not produced in the United States in sufficient and reasonably available quantities and are not of a satisfactory quality; or
- C. Inclusion of products produced in the United States will increase the cost of the overall project by more than twenty-five (25) percent; and
- D. A waiver is approved by the Environmental Protection Agency (EPA).

BORROWER must submit the waiver request to DOH, which will submit it to EPA. The full text of the Build America, Buy America provision can be found under The Infrastructure Investment and Jobs Act ("IIJA"), Pub. L. No. 117-58, which includes the Build America, Buy America Act ("the Act"). Pub. L. No. 117-58, §§ 70901-52.

4.17. ATTORNEYS' FEES

Unless expressly stated under another section of the CONTRACT, each party agrees to bear its own attorneys' fees and costs for litigation or other action brought to enforce the contract terms.

4.18. BONUS AND COMMISSION PAYMENTS NOT ALLOWED

Funds provided under this CONTRACT cannot be used to pay any bonus or commission to gain approval of the loan application or any other approval under this CONTRACT. This section does not prohibit paying for bona fide technical consultants, managerial, or other such services, if payment is for ELIGIBLE PROJECT COSTS.

4.19. COMPLIANCE

BORROWER will comply with all applicable federal, state and local laws, requirements, and ordinances for the design, implementation, and administration of the PROJECT and this CONTRACT, including but not limited to those stated in the CONTRACT attachments. BORROWER will provide DOH with documentation of compliance, if requested.

In the event of BORROWER's alleged or actual noncompliance with any part of this CONTRACT, DOH may suspend all or part of the CONTRACT, withhold payments, or prohibit BORROWER from incurring additional obligations of LOAN FUNDS during the investigation and pending corrective action by BORROWER, or a decision by DOH to terminate the CONTRACT.

4.20. DISPUTES

Except as otherwise provided in this CONTRACT, when a dispute arises between the parties that cannot be solved by direct negotiation, either party may request a dispute hearing with the Director of the Office of Drinking Water (the Director), who may designate a neutral person to decide the dispute. The parties will be equally responsible for any reasonable costs and fees incurred by the neutral.

The party requesting a dispute hearing must:

- A. Be in writing;
- B. State the disputed issues;
- C. State the relative positions of the parties;
- D. State BORROWER's name, address, and the CONTRACT number;
- E. Provide contact information for the requester's representative, and,
- F. Be mailed to the other party's (respondent's) Contract Manager within three (3) working days after the parties agree that they cannot resolve the dispute.

The respondent must send a written answer within five (5) working days.

In the alternative, the parties can agree to submit a mutual request to the Director, which should include each party's response to the other party's characterization of the dispute.

The Director or designee will review the written statements and reply in writing to both parties within ten (10) working days. The Director or designee may extend this period if necessary by notifying the parties. The decision on the dispute is non-binding and is not admissible in any succeeding judicial or quasi-judicial proceeding.

This non-binding dispute process must precede any action in a judicial or quasi-judicial tribunal. Nothing in this CONTRACT limits the parties from using any mutually acceptable alternate dispute resolution (ADR) method in addition to or instead of the dispute hearing procedure outlined above.

4.21. ELIGIBLE PROJECT COSTS

BORROWER will comply with Attachment VI: DWSRF Eligible Project Costs and is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

The purchase of any land necessary for the PROJECT must be included in the PROJECT and be documented with an appraisal or equivalent market evaluation, if approved by DOH, and a valid purchase and sale agreement.

Construction expenses incurred after the date shown as earliest date for construction reimbursement in the Declarations are eligible for reimbursement. Requests for reimbursements for costs related to construction activities will not be accepted until BORROWER has met the following conditions:

- A. Completed the State Environmental Review Process (SEPA Review under RCW 43.21C);
- B. Complied with all provisions of the National Historic Preservation Act, 54 USC Subtitle III;
- C. Complied with Prevailing Wage requirements;
- D. Received approval from DOH of the project report and related construction documents for all applicable activities described in the PROJECT; and
- E. Complied with any other LOAN conditions required by DOH.

BORROWER cannot use LOAN FUNDS for any expenses charged by BORROWER against any other contract, subcontract, or source of funds.

If DOH reimburses BORROWER for costs that are later determined by DOH to be ineligible, BORROWER must repay these funds to DOH no later than when the BORROWER returns the PROJECT Completion Amendment to DOH. Prior to final completion, DOH may withhold payment for such costs as allowed under Section 4.36 RECAPTURE. Repayment is subject to interest retroactive to the date of the applicable disbursement by DOH.

4.22. FALSE, INCORRECT, OR INCOMPLETE INFORMATION OR CLAIM

BORROWER warrants that they have not and will not submit to DOH any information that is materially false, incorrect, or incomplete. Providing false, fictitious, or misleading information with respect to the receipt and disbursements of LOAN funds is a basis for criminal, civil, or administrative fines and/or penalties. DOH may also pursue applicable remedies for violations by BORROWER of this section.

4.23. FINANCIAL AUDIT

DOH may require BORROWER to obtain an audit of this PROJECT conforming to Generally Accepted Accounting Principles (GAAP). BORROWER will maintain its records and accounts to facilitate the audit. BORROWER is responsible for correcting any audit findings. BORROWER is responsible for any audit findings incurred by its own organization and/or its subcontractors. DOH reserves the right to recover from BORROWER all disallowed costs and INELEGIBLE PROJECT COSTS resulting from the audit.

The audit must include a report on compliance, including an opinion (or disclaimer of opinion) about whether the BORROWER is in compliance with laws, regulations and requirements of this CONTRACT that could have a direct and material effect on DOH.

BORROWER must send a copy of any required audit per 2 CFR §200.512 to the DOH Contract Manager, no later than nine (9) months after the end of BORROWER's fiscal year(s). BORROWER must send any audit corrective action plan for audit findings and a copy of the management letter, within three (3) months of the audit report.

4.24. GOVERNING LAW AND VENUE

This CONTRACT shall be construed and interpreted according to the laws of the state of Washington, and the venue of any action brought under the CONTRACT will be in the Superior Court for Thurston County.

4.25. HISTORICAL AND CULTURAL REQUIREMENTS

BORROWER will not conduct or authorize destructive PROJECT planning activities before completing the requirements of the National Historic Preservation Act, 54 USC Subtitle III. BORROWER will not begin construction activities, ground disturbance, or excavation of any sort, until BORROWER has complied with all requirements of the National Historic Preservation Act of 1966, as amended.

If historical or cultural artifacts are discovered during the PROJECT, BORROWER will immediately stop construction and implement reasonable measures to protect the discovery site from further disturbance, take

reasonable steps to ensure confidentiality of the discovery site, restrict access to the site, and notify the concerned tribe's cultural staff or committee, Tribal Historical Preservation Officer (THPO), DOH Contract Manager, and the State's Historical Preservation Officer (SHPO) at the Washington State Department of Archaeology and Historic Preservation (DAHP). If human remains are uncovered, BORROWER will report the presence and location of the remains to the local coroner and law enforcement immediately, then contact the concerned tribe's cultural staff or committee, DOH Contract Manager, and DAHP.

BORROWER is legally and financially responsible for compliance with all laws, regulations, and agreements related to the preservation of historical or cultural sites and artifacts and will hold harmless the state of Washington and DOH in relation to any claim related to historical or cultural sites discovered, disturbed, or damaged as a result of BORROWER'S and BORROWER's subcontractors activities.

BORROWER will include the requirements of this section in all contracts for work or services related to the PROJECT. BORROWER will require that bid documents include an inadvertent discovery plan that meets the requirements of this section.

4.26. INDEMNIFICATION

BORROWER agrees to defend, indemnify, and hold harmless DOH and the state of Washington for claims arising out of or incident to BORROWER'S or any BORROWER'S subcontractor's performance or failure to perform the CONTRACT. BORROWER'S obligation to indemnify, defend, and hold harmless DOH and the state of Washington shall not be eliminated or reduced by any actual or alleged concurrent negligence of DOH or its agents, agencies, employees and officials. BORROWER'S obligation to indemnify, defend and hold harmless DOH and the state of Washington includes any claim by BORROWER'S agents, employees, officers, subcontractors or subcontractor employees.

BORROWER waives immunity under Title 51 RCW to the extent it is required to indemnify, defend and hold harmless the state and its agencies, officers, agents or employees.

4.27. INDUSTRIAL INSURANCE COVERAGE

BORROWER will comply with the applicable parts of Title 51 RCW, Industrial Insurance. If BORROWER fails to provide industrial insurance coverage or fails to pay premiums or penalties on behalf of its employees as required by law, DOH may collect from BORROWER the full amount payable to the Industrial Insurance Accident Fund. DOH may deduct the amount owed by BORROWER to the accident fund from the amount payable to BORROWER by DOH under this CONTRACT, and transmit the deducted amount to the Washington State Department of Labor and Industries (L&I).

4.28. LITIGATION

BORROWER warrants that there is no threatened or pending litigation, investigation, or legal action before any court, arbitrator, or administrative agency that, if adversely determined against BORROWER, would have a materially adverse effect on BORROWER's ability to repay the LOAN. BORROWER agrees to promptly notify DOH if any above-referenced actions become known to BORROWER during the pendency of the Contract.

4.29. NONDISCRIMINATION

BORROWER will not discriminate on the basis of race, creed, color, national origin, families with children, sex, marital status, sexual orientation, age, honorably discharged veteran or military status, or the presence of any sensory, mental, or physical disability or the use of a trained dog guide or service animal by a person with a disability in the performance of this CONTRACT. BORROWER will comply with all federal and state nondiscrimination laws, including, but not limited to Chapter 49.60 RCW, Washington's Law Against Discrimination and 42 USC 12101 et seq., the Americans with Disabilities Act (ADA), and 40 CFR Part 33 Participation by Disadvantaged Business Enterprises in US EPA Programs . Failure by BORROWER to carry out these requirements is a material breach of this CONTRACT. BORROWER is required to include these non-discriminatory provisions in any contract with a subcontractor.

4.30. PREVAILING WAGE

BORROWER will assure that all contractors and subcontractors performing work funded through this CONTRACT comply with prevailing wage laws by paying the higher of state or federal prevailing wages. BORROWER is legally and financially responsible for compliance with the prevailing wage requirements. BORROWER should consult the

United States Department of Labor and Washington State Department of Labor and Industries websites to determine the federal and State prevailing wages that must be paid.

4.31. PROCUREMENT

BORROWER will comply with all procurement requirements for subcontracting for the PROJECT and for obtaining PROJECT-related goods and services. BORROWER must maintain records to verify compliance with procurement requirements.

BORROWER must ensure that all contractors, subcontractors, engineers, vendors, and any other entity for work or services listed in the PROJECT will insert in full, in any contract, the labor standards provisions in Attachment VIII: Labor Standard Provisions for Subrecipients That Are Governmental Entities.

4.32. PROHIBITION STATEMENT

Per Section 106 of the federal Trafficking Victims Protection Act, BORROWER's contractors, subcontractors, engineers, vendors, and any other entity performing work funded by this CONTRACT must comply with and include the following terms and conditions in all contracts for work or services for the PROJECT.

"All forms of trafficking in persons, illegal sex trade, or forced labor practices are prohibited in the performance of this award or subawards under the award, or in any manner during the period of time that the award is in effect. This prohibition applies to you as the recipient, your employees, subrecipients under this award, and subrecipients' employees."

4.33. PROJECT SIGNS

If BORROWER displays, during the TIME OF PERFORMANCE, any signs or markers identifying parties that are providing funds for the PROJECT, BORROWER must include the Washington State Department of Health Drinking Water State Revolving Fund and the Washington State Department of Health as participants in the PROJECT.

4.34. PUBLICITY

BORROWER agrees to get prior written consent from DOH's Contract Manager before publishing or using any advertising or publicity materials that include Washington State or DOH's name, or includes language that may reasonably infer or imply a connection with either one.

4.35. RATES AND RESERVES

BORROWER will maintain reserves at a minimum as required by the Water System Plan or Small Water System Management Plan. BORROWER will timely adopt rate increases and/or capital assessments for the system's services to provide sufficient funds, along with other revenues of the system, to pay all operating expenses and debt repayments during the LOAN TERM.

4.36. RECAPTURE

DOH reserves the right to recapture from BORROWER sufficient funds to compensate DOH for BORROWER's noncompliance with any part of this CONTRACT, in addition to any other remedies available under the CONTRACT, at law, or in equity. DOH may withhold LOAN FUNDS from BORROWER to recapture such funds.

4.37. RECORDKEEPING AND ACCESS TO RECORDS

DOH, its agents, and authorized officials of the state and federal governments will have full access and the right to examine, copy, excerpt, or transcribe, at no additional cost and at all reasonable times, any pertinent documents, papers, records, and books of BORROWER and of persons, firms, or organizations with which BORROWER may contract, involving transactions related to this CONTRACT. BORROWER agrees to keep complete records of its compliance with this CONTRACT for a period of six (6) years from the date that the debt to DOH is paid in full. This includes but is not limited to financial reports. If any litigation, claim or audit is started before the expiration of the six (6) year period, BORROWER must keep the records until all litigation, claims or audit findings involving the records have been resolved. These records retention requirements are in addition to the local government records retention schedules applicable to the BORROWER.

4.38. REGISTRATION WITH THE SYSTEM FOR AWARD MANAGEMENT (SAM)

BORROWER must comply with 48 CFR 52.204-7 to register with the System for Awards Management (SAM.gov). BORROWER is responsible for the accuracy and completeness of its data in the SAM database and any liability resulting from the Government or DOH reliance on inaccurate or incomplete data in it. BORROWER must remain registered in the SAM database. BORROWER should annually review its information in SAM to ensure it is accurate and complete.

4.39. SEVERABILITY

If any part of this CONTRACT or part of any document incorporated by reference is found to be invalid, it will not affect the other parts of this CONTRACT that can be given effect without the invalid part.

4.40. SUBCONTRACTING

Prior to awarding contracts and/or subcontracts, BORROWER must verify that the complete names of both the selected contractor and the owner or president are not in the Federal Excluded Parties List System for Ineligible Professionals and Debarred Contractors (www.SAM.gov). BORROWER must provide the DOH Contract Manager with a screen printout documenting that neither the firm, the owner or the president are excluded.

BORROWER will ensure that every contract and subcontract awarded for the PROJECT after the CONTRACT start date will bind the parties to follow all applicable terms of this CONTRACT. BORROWER is responsible to DOH for noncompliance by its contractors and/or subcontractors. BORROWER's contracts or subcontracts do not release or reduce the BORROWER's liability to DOH for any breach in the performance of BORROWER's duties. BORROWER's contracts and subcontracts must include a term that the state of Washington and DOH are not liable for claims or damages arising from a contractor and/or subcontractor's performance or lack thereof.

4.41. SURVIVAL

The CONTRACT's terms, conditions, and warranties that by its sense and context are intended to survive the completion of the performance, cancellation or termination of this CONTRACT, shall so survive.

4.42. TERMINATION FOR CAUSE

If DOH concludes that BORROWER has failed to comply with the CONTRACT requirements or has otherwise breached one or more parts of the CONTRACT, DOH may, at its discretion, upon notice to BORROWER, terminate or suspend the CONTRACT and/or its attached agreements in whole or in part.

The notice will be in writing and state the reason(s) for termination or suspension, and the effective date. The effective date will be determined by DOH. The notice will allow BORROWER at least thirty (30) business days to cure the breach, if curable. If the breach is not cured or cannot be cured within thirty (30) business days, the outstanding balance of the LOAN, with any interest accrued and other costs as authorized by the CONTRACT shall be due and payable to DOH.

If DOH terminates this CONTRACT under this section, DOH is liable only for payment required under the terms of this CONTRACT for ELIGIBLE PROJECT COSTS incurred prior to the effective date of termination.

At DOH's discretion, the termination for cause may be deemed a termination for convenience if DOH determines that the default or failure to perform was outside BORROWER's control, fault or negligence. The rights and remedies of DOH provided in this CONTRACT are not exclusive and are in addition to any other rights and remedies provided by law. Nothing in this section affects BORROWER's obligations to immediately repay the unpaid balance of the LOAN as prescribed in the Washington Administrative Code (WAC) 246-296-150.

4.43. TERMINATION OR SUSPENSION FOR CONVENIENCE

If funding or appropriation from state, federal, or other sources is withdrawn, reduced, or limited in any way during the TIME OF PERFORMANCE, DOH may:

- A. Delay or suspend releasing LOAN FUNDS until funding or appropriation are available to DOH; or
- B. Amend the CONTRACT to reflect the new funding limitations and conditions; or

- C. Terminate the CONTRACT and/or its attached agreements, in whole or in part; or
- D. Suspend the CONTRACT and/or its attached agreements, in whole or in part.

If DOH terminates the CONTRACT and/or its attached agreements in whole or in part, under this section, DOH will notify BORROWER's representative in writing of the reason(s) for termination, and the effective date. The effective date will be determined by DOH.

DOH may choose to suspend this CONTRACT and/or its attached agreements in whole or in part, if DOH determines that the funding insufficiency will likely be resolved in time for BORROWER to resume activities prior to the end of the TIME OF PERFORMANCE. DOH will notify BORROWER's representative by facsimile or email of the reason(s) for suspension, and the effective date. DOH will determine the effective date. BORROWER must suspend performance on the effective date of the suspension. During the period of suspension each party must notify the other party's representative of any conditions that may reasonably affect its ability to resume performance.

During the suspension, when DOH determines that the funding insufficiency is resolved, DOH may notify BORROWER's representative of the proposed date to resume performance. BORROWER must respond to DOH's representative in writing, within five (5) business days of DOH sending notice, as to whether it can resume performance on that date or offer an alternative date to resume performance. If BORROWER cannot resume performance or the alternative date is not acceptable to DOH, the parties agree the CONTRACT will be deemed terminated for convenience, retroactive to the original date of suspension.

If DOH terminates or suspends this CONTRACT, DOH is liable only for payment required under the terms of this CONTRACT for eligible project costs incurred prior to the effective date of suspension or termination. Nothing in this section shall affect Contractor's obligations to repay the unpaid balance of the LOAN. Nothing in this section affects BORROWER's obligation to repay the LOAN, including fees and other expenses as allowed by the CONTRACT.

4.44. TERMINATION PROCEDURES

When BORROWER receives Notice of Termination or on the date a suspension is converted to a termination, except as otherwise directed by DOH, BORROWER will:

- A. Stop work under the CONTRACT on the date, and to the extent specified, in the notice;
- B. Place no further orders or subcontracts for materials, services, or facilities related to the CONTRACT;
- C. If expressly requested by DOH, assign to DOH any or all of the rights, title, and interest of BORROWER under the orders and subcontracts so terminated, in which case DOH has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts. Any attempt by BORROWER to settle such claims must have the prior written approval of DOH; and
- D. Preserve and transfer any materials, CONTRACT deliverables and/or DOH property in BORROWER's possession as directed by DOH.

Upon termination of this CONTRACT, DOH will pay BORROWER for amounts due under the CONTRACT prior to the date of termination unless such payment is precluded under any other provision of this CONTRACT. DOH may withhold any amount due as DOH reasonably determines is necessary to protect DOH against potential loss or liability resulting from the termination. DOH will pay any withheld amount to BORROWER if DOH later determines that loss or liability will not occur.

4.45. WORK HOURS AND SAFETY STANDARDS

If this CONTRACT exceeds \$100,000, BORROWER must comply with the applicable Contract Work Hours and Safety Standards Act (40 USC Chapter 37). These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

ATTACHMENT I: SCOPE OF WORK (PROJECT)

DWSRF PROGRAM CONSTRUCTION LOAN CONTRACT INFORMATION

2023-4140, BAY EAST, MANGANESE TREATMENT

DWSRF Scope of Work Form:

Scope of Work:

Project to include:

1. Construct iron and manganese removal treatment include a new building and site construction.
Connect the treatment to the existing water system along with electrical and telemetry.

In addition to costs of construction, costs may include (but are not limited to): engineering, design, construction inspection, hydrogeologic assessment, cultural and environmental review, permits, public involvement, preparation of bid documents, fees, taxes, legal, administrative and audit.

2022-4117, BAY EAST, MANGANESE TREATMENT**Project Costs by Cost Category:**

COST CATEGORY	CURRENT ESTIMATES
Engineering Report (Preliminary Engineering)	\$0.00
Environmental Review	\$5,000.00
Historical Review/Cultural Review	\$5,000.00
Land/ROW Acquisition	\$65,000.00
Permits	\$0.00
Public Involvement/Information	\$0.00
Bid Documents (Design Engineering)	\$64,100.00
Construction: Estimated Cost. Provide details on following pages.	\$0.00
DOH Review/Approval Fees:	\$0.00
Contingency: (10% min, 20% max)	\$0.00
Sales or Use Taxes	\$0.00
Construction Engineering/Inspection	\$0.00
Insurance:	\$0.00
Audit:	\$0.00
Legal:	\$0.00
Service Meters (Purchase and Installation)	\$0.00
Other:	\$0.00
TOTAL ESTIMATED PROJECT COSTS (before Loan Fee)	\$139,100.00
DWSRF Loan Origination Fee (1%)	\$0.00
DWSRF Loan Award	<u>\$139,100.00</u>

Project Funding:

TYPE OF FUNDING	SOURCE	CURRENT STATUS
Grants and Other Non-Matching Funds		
Grant #1		\$
Grant #2		\$
Other Grants		\$
New Grants		\$
Total Grants and Other Non-Matching Funds		a) <u>\$0.00</u>
Loans		
<i>This Loan Request</i>	DWSRF loan (DWL28365-0)	\$139,100.00
Other Loan #1	DWSRF loan (DWL28232-0)	\$674,493.00
Other Loan #2		\$
Other Loans		\$
New Loans		\$
Total Loans		b) <u>\$813,593.00</u>
Local Revenue		
Source #1		\$
Source #2		\$
Other Local Revenue		\$
New Local Revenue		\$
Total Local Revenue		c) <u>\$0.00</u>
Other Funds		
Other Funds		\$
Other Funds		\$
Total Other Funds		d) <u>\$0.00</u>
TOTAL PROJECT FUNDING		e) <u>\$813,593.00</u>

Engineer's Certification:

ATTACHMENT II: ATTORNEY'S CERTIFICATION

DRINKING WATER STATE REVOLVING FUND (MUNICIPAL)

I, _____, hereby certify:

I am an attorney at law admitted to practice in the state of Washington and the duly appointed attorney of BORROWER identified in the Declarations of the Contract identified above; and

I have also examined any and all documents and records, which are pertinent to the Contract, including the application requesting this financial assistance.

Based on the foregoing, it is my opinion that:

1. BORROWER is a public body, properly constituted and operating under the laws of the State of Washington, empowered to receive and expend federal, state and local funds, to contract with the state of Washington, and to receive and expend the funds involved to accomplish the objectives set forth in its application.
2. BORROWER is empowered to accept the Drinking Water State Revolving Fund financial assistance and to provide for repayment of the loan as set forth in the loan agreement.
3. There is currently no litigation in existence seeking to enjoin the commencement or completion of the above-described public facilities project or to enjoin BORROWER from repaying the Drinking Water State Revolving Fund loan extended by DOH with respect to such project. BORROWER is not a party to litigation, which will materially affect its ability to repay such loan on the terms contained in the loan agreement.
4. Assumption of this obligation would not exceed statutory and administrative rule debt limitations applicable to BORROWER.

Signature of Attorney

Date

Name and BAR Number (WSBA No.)

Address

ATTACHMENT III: FEDERAL AND STATE REQUIREMENTS (NOT ALL INCLUSIVE)

1) Environmental and Cultural Authorities

- a) Archeological and Historic Preservation Act of 1974, Public Law 86-523 as amended
- b) Clean Air Act, Public Law 84-159 as amended
- c) Coastal Zone Management Act, Public Law 92-583 as amended
- d) Endangered Species Act, Public Law 93-205 as amended
- e) Environmental Justice, Executive Order 12898
- f) Floodplain Management, Executive Order 11988 as amended by Executive Order 12148
- g) Protection of Wetlands, Executive Order 11990
- h) Farmland Protection Policy Act, Public Law 97-98
- i) Fish and Wildlife Coordination Act, Public Law 85-624 as amended
- j) National Historic Preservation Act, 54 USC Subtitle III
- k) Safe Drinking Water Act, Public Law 93-523 as amended
- l) Wild and Scenic Rivers Act, Public Law 90-542 as amended
- m) Washington State Environmental Policy Act, Chapter 43.21C RCW
- n) Native American Graves Protection and Repatriation Act, Archaeological Resources Protection Act, Revised Code of Washington (RCW) 27.44 regarding Indian Graves and Records; RCW 27.53 regarding Archaeological Sites and Resources; RCW 68.60 regarding Abandoned and Historic Cemeteries and Historic Graves; and Washington Administrative Code (WAC) 25-48 regarding Archaeological Excavation and Removal Permits.

Buy America Build America Requirements

- 2) DWSRF construction projects chosen for FFATA/Equivalency reporting must comply with the Buy America Build America provisions. Projects started prior to May 14, 2022, may be exempt. Visit the EPA website for more information on the BABA requirements and the waiver process at <https://www.epa.gov/cwsrf/build-america-buy-america-baba>

3) Economic and Miscellaneous Authorities

- a) Demonstration Cities and Metropolitan Development Act of 1996, Public Law 89-754 as amended, Executive Order 12372
- b) Procurement Prohibitions under Section 306 of the Clean air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans
- c) Uniform Relocation and Real Property Policies Act, Public Law 91-646 as amended
- d) Debarment and Suspension, Executive Order 12549
- e) H.R. 3547, Consolidated Appropriations Act, 2014.

4) Social Policy Authorities

- a) Age Discrimination Act of 1975, Public Law 94-135
- b) Title VI of the Civil Rights Act of 1964, Public Law 88-352
- c) Section 13 of the Federal Water Pollution Control Act Amendments of 1972, Public Law 92-500 (the Clean Water Act)
- d) Section 504 of the Rehabilitation Act of 1973, Public Law 93-112 (including Executive Orders 11914 and 11250)
- e) Equal Employment Opportunity, Executive Order 11246
- f) Disadvantaged Business Enterprise, Public Law 101-549 (the Clean Air Act), and Public Law 102-389 (the Clean Water Act)
- g) Section 129 of the Small Business Administration Reauthorization and Amendment Act of 1988, Public Law 100-590
- h) Chapter 49.60 RCW, Washington's Law against Discrimination, and 42 USC 12101 et seq. the Americans with Disabilities Act (ADA).
- i) The Contract Work Hours and Safety Standards Act (40 USC 327-333)-Where applicable.
- j) The Genetic Information Nondiscrimination Act of 2008 (GINA), 42 USC s. 2000ff et seq.

5) State Laws

- a) Chapter 36.70A RCW, Growth Management Act
- b) Chapter 39.80 RCW, Contracts for Architectural and Engineering Services
- c) Chapter 39.12 RCW, Washington State Public Works Act
- d) Chapter 43.20 RCW, State Department of Health of Health

- e) Chapter 43.70 RCW, Department of Health
- f) Chapter 43.155 RCW, Public Works Project
- g) Chapter 70.116 RCW, Public Water Systems Coordination Act of 1977
- h) Chapter 70.119 RCW, Public Water Supply Systems Certification and Regulation of Operations
- i) Chapter 70.119A RCW, Public Water Systems, Penalties & Compliances
- j) Chapter 246-290 WAC, Group A Public Water Systems
- k) Chapter 246-291 WAC, Group B Public Water Systems
- l) Chapter 246-292 WAC, Waterworks Operator Certification Regulations
- m) Chapter 246-293 WAC, Water Systems Coordination Act
- n) Chapter 246-294 WAC, Drinking Water Operating Permits
- o) Chapter 246-295 WAC, Satellite System Management Agencies
- p) Chapter 246-296 WAC Drinking Water State Revolving Fund Loan Program
- q) Chapter 173-160 WAC, Minimum Standards for Construction & Maintenance of Wells
- r) Title 173 WAC, Department of Ecology Rules
- s) Title 40 Part 141 Code of Federal Regulations, Federal National Primary Drinking Water Regulations (Section Adopted by Reference)

ATTACHMENT IV: DISADVANTAGED BUSINESS ENTERPRISE REQUIREMENTS

GENERAL COMPLIANCE, 40 CFR, Part 33

BORROWER must comply with the requirements of Environmental Protection Agency's Program for Utilization of Small, Minority and Women's Business Enterprises (MBE/WBE) in procurement under this Contract, contained in 40 CFR, Part 33. BORROWER will use the directory of certified firms available through the Washington State Office of Minority and Women's Business Enterprises to meet the requirements.

FAIR SHARE OBJECTIVES, 40 CFR, Part 33, Subpart D

The following are exemptions from the fair share objective Requirements:

- Grant and loan recipients receiving a total of \$250K or less in EPA financial assistance in a given fiscal year.
- Tribal recipients of Performance Partnership Eligible grants under 40 CFR Part 35, Subpart B.
 - There is a 3-year phase in period for the requirement to negotiate fair share goals for Tribal and Insular Area recipients.
- Recipients of Technical Assistance Grants.

The Fair Share Objectives or goals for the utilization of disadvantaged businesses negotiated with EPA by the WA Office of Minority Women Business are stated below.

Construction	10% MBE	6% WBE
Supplies	8% MBE	4% WBE
Equipment	8% MBE	4% WBE
Purchased Services	10% MBE	4% WBE

BORROWER must accept the fair share objectives/goals stated above and purchase the same or similar construction, supplies, services and equipment, in the same or similar relevant geographic buying market as WA Office of Minority Women Business goals.

SIX GOOD FAITH EFFORTS, 40 CFR, Part 33, Subpart C

Pursuant to 40 CFR, Section 33.301, BORROWER will make the following good faith efforts whenever procuring construction, equipment, services and supplies under an EPA financial assistance agreement, and to ensure that sub-recipients, loan recipients, and prime contractors also comply.

Records documenting compliance with the six good faith efforts shall be retained. The six good faith efforts shall include:

- A. Ensure Disadvantaged Business Enterprises are made aware of contracting opportunities to the fullest extent practicable through outreach and recruitment activities. For Indian Tribal, State and Local Government recipients, this will include placing the Disadvantaged Business Enterprises on solicitation lists and soliciting them whenever they are potential sources.
- B. Make information on forthcoming opportunities available to Disadvantaged Business Enterprises and arrange time frames for contracts and establish delivery schedules, where the requirements permit, in a way that encourages and facilitates participation by Disadvantaged Business Enterprises in the competitive process. This includes, whenever possible, posting solicitations for bids or proposals for a minimum of thirty (30) calendar days before the bid or proposal closing date.
- C. Consider in the contracting process whether firms competing for large contracts could subcontract with Disadvantaged Business Enterprises. For Indian Tribal, State and Local Government recipients, this will include dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by Disadvantaged Business Enterprises in the competitive process.
- D. Encourage contracting with a consortium of Disadvantaged Business Enterprises when a contract is too large for one of these firms to handle individually.
- E. Use the services and assistance of the Small Business Administration and the Minority Business Development Agency of the Department of Health.
- F. If the prime contractor awards subcontracts, also require the prime contractor to take the five good faith efforts in paragraphs A through E above.

MBE/WBE REPORTING, 40 CFR, Part 33, Sections 33.502 and 33.503

BORROWER is required to submit MBE/WBE participation reports to DOH, on a quarterly basis, beginning with the Federal fiscal year reporting period BORROWER receives the award and continuing until the project is completed.

CONTRACT ADMINISTRATION PROVISIONS, 40 CFR, Section 33.302

BORROWER agrees to comply with the contract administration provisions of 40 CFR, Section 33.302.

BORROWER agrees to require all general contractors to provide forms: EPA Form 6100-2 DBE Subcontractor Participation Form and EPA Form 6100-3 DBE Subcontractor Performance Form to all its Disadvantaged Business Enterprise subcontractors, engineers, vendors, and any other entity for work or services listed in the PROJECT. These two (2) forms may be obtained from the EPA Office of Small Business Program's website on the internet at <http://www.epa.gov/osbp/grants.htm>.

BORROWER agrees to require all general contractors to complete and submit to BORROWER and Environmental Protection Agency EPA Form 6100-4 DBE Subcontractor Utilization Form beginning with the Federal fiscal year reporting period BORROWER receives the award and continuing until the project is completed. Only procurements with certified MBE/WBEs are counted toward a Contractor's MBE/WBE accomplishments.

BIDDERS LIST, 40 CFR, Section 33.501(b) and (c)

BORROWER is also required to create and maintain a bidders list if BORROWER of the loan is subject to, or chooses to follow, competitive bidding requirements. Please see 40 CFR, Section 33.501 (b) and (c) for specific requirements and exemptions.

Section 33.501(b) of the rule is as follows:

A recipient of a Continuing Environmental Program Grant or other annual grant must create and maintain a bidders list. In addition, a recipient of an EPA financial assistance agreement to capitalize a revolving loan fund also must require entities receiving identified loans to create and maintain a bidders list if the recipient of the loan is subject to, or chooses to follow, competitive bidding requirements. The purpose of a bidders list is to provide the recipient and entities receiving identified loans who conduct competitive bidding with as accurate a database as possible about the universe of MBE/WBE and non-MBE/WBE prime and subcontractors. The list must include all firms that bid or quote on prime contracts or bid or quote on subcontracts under EPA assisted projects, including both MBE/WBEs.

The bidders list must be kept until the grant project period has expired and the recipient is no longer receiving EPA funding under the grant. For entities receiving identified loans, the bidders list must be kept until the project period for the identified loan has ended. The following information must be obtained from all prime and subcontractors:

- (1) Entity's name with point of contact;
- (2) Entity's mailing address, telephone number, and e-mail address;
- (3) The procurement on which the entity bid or quoted, and when; and
- (4) Entity's status as a MBE/WBE¹ or non-MBE/WBE.

The exemption found at § 33.501(c) is as follows:

A recipient of an EPA financial assistance agreement in the amount of \$250,000 or less for any single assistance agreement, or of more than one financial assistance agreement with a combined total of \$250,000 or less in any one fiscal year, is exempt from the paragraph (b) of this section requirement to create and maintain a bidders list. Also, a recipient under the CWSRF, DWSRF, or BCRLF Program is not required to apply the paragraph (b) of this section bidders list requirement of this subpart to an entity receiving an identified loan in an amount of \$250,000 or less, or to an entity receiving more than one identified loan with a combined total of \$250,000 or less in any one fiscal year. This exemption is limited to the paragraph (b) of this section bidders list requirements of this subpart.

¹ Qualified Women and Minority business enterprises may be found on the Internet at www.omwbe.wa.gov or by contacting the Washington State Office of Minority and Women's Enterprises at 360-704-1181.

ATTACHMENT V: CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS



United States Environmental Protection Agency
Washington, DC 20460

EPA Project Control Number

The terms, "covered transaction, debarred, suspended, ineligible, lower tier covered transaction, person, primary covered transaction, principal, and voluntarily excluded", as used in this attachment, are defined in the rules implementing Executive Order 12549, including 13 CFR § 400.109. You may contact DOH for help getting a copy of these regulations.

BORROWER, defined as the primary participant and its principals, certifies by signing below that to the best of its knowledge and belief they:

- A. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
- B. Have not within a three-year (3) period preceding this CONTRACT, been convicted of or had a civil judgment against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, receiving stolen property, making false claims, or obstruction of justice;
- C. Are not presently indicted for or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses described in this attachment; and,
- D. Have not within a three-year period (3) preceding the signing of this CONTRACT had one or more public transactions (federal, state, or local) terminated for cause or default.

Prior to awarding contracts for the PROJECT, BORROWER must verify that neither the contractor's business name(s) nor the names of its principals are in the Federal Excluded Parties List System for Ineligible Professionals and Debarred Contractors (www.SAM.gov). BORROWER must keep documentation in the PROJECT files and provide a copy to the DOH Contract Manager.

BORROWER will include the language below without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions:

The lower tier contractor certifies, by signing this CONTRACT that neither it nor its principals are debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

I understand that a false statement on this certification may be ground for rejection of this proposal or termination of the award. In addition, under 18 USC Sec. 1001, a false statement may result in a fine or imprisonment for up to 5 years, or both.

Typed or Printed Name & Title of Authorized Representative

Signature of Authorized Representative

Date

☐

I am unable to certify to the above statements. My explanation is attached.

ATTACHMENT VI: DWSRF ELIGIBLE PROJECT COSTS

Must be directly attributable to the project.

1. The costs for complying with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.
2. DWSRF loan fees.
3. The purchase of a portion of another system's capacity, if it is the most cost effective solution (limited to publicly owned (municipal) systems).
4. Construction of reservoirs (clear wells) that are part of the treatment process and are collocated with the treatment facility.
5. Construction of distribution reservoirs (finished water).
6. Cost associated with restructuring or consolidation of existing water systems by publicly owned water systems.
7. Main extensions to connect to safe and reliable sources of drinking water.
8. Cost associated with collecting and preparing environmental assessment documents to obtain local permits.
9. Direct labor including related employee benefits:
 - a. Salaries and wages (at actual or average rates) covering productive labor hours of employees of the borrower (excluding the administrative organization of the operating unit involved) for periods of time actively or incidentally engaged in pre-design engineering, design engineering, construction engineering, acquisition of rights of way, and the cleaning, sterilization or bacteriological testing of water system components prior to public use. The costs of services rendered by employees generally classified as administration/project management of the loan are considered a direct cost only when such employees are assigned the types of services described above and shall be limited to 3% or less of the project loan amount.
 - b. Employee benefits relating to labor are considered a direct cost of construction projects. The following items may be included as employee benefits:
 - F.I.C.A. (Social Security) –employer's share.
 - Retirement benefits.
 - Hospital, health, dental, and other welfare insurance.
 - Life insurance.
 - Industrial and medical insurance.
 - Vacation.
 - Holiday.
 - Sick leave.
 - Military leave and jury duty.Employee benefits must be calculated as a percentage of direct labor dollars. The

computation of predetermined percentage rates to be applied to current labor costs must be based on the average of total employee benefits and total labor costs for the prior fiscal year and adjusted by known current year variations.

- c. Other than work identified in Number 9.a, no costs associated with labor performed by the borrower's employees, including force account work, are eligible for financing assistance.
10. Contract engineering, planning, design, legal, and financial planning services. The Department of Health reserves the right to declare ineligible legal costs that are unreasonable and disproportionate to the project.
11. Contract construction work.
12. Direct vehicle and equipment charges at the actual rental cost paid for the equipment or, in the case of city or county-owned equipment, at the rental rates established by the local government's "equipment rental and revolving fund" following the methods prescribed by the division of municipal corporations. However, such costs must be charged on a uniform basis to equipment used for all projects regardless of the source of funding. Cities with a population of eight thousand or less not using this type of fund are allowed the same rates as used by the State Department of Transportation.
13. Direct materials and supplies.
14. Other direct costs incurred for materials or services acquired for a specific project are eligible costs and may include, but are not limited to such items as:
 - a. Telephone charges.
 - b. Reproduction and photogrammetry costs.
 - c. Video and photography for project documentation.
 - d. Computer usage.
 - e. Printing and advertising.
15. Other project related costs include:
 - Competitive Bidding.
 - Audit.
 - Insurance.
 - Prevailing wages.
 - Attorney fees.
 - Environmental Review.
 - Archaeological Survey.

Water system plan costs are not eligible for reimbursement. Small water system management program and plan amendments costs are eligible for reimbursement.

Projects may be designed to accommodate reasonable growth. This is generally the 20-year projection included in the system's water system plan or small water system management program.

ATTACHMENT VII: LABOR STANDARD PROVISIONS FOR SUBRECIPIENTS THAT ARE GOVERNMENTAL ENTITIES

Wage Rate Requirements Under The Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 113-6)

Preamble

With respect to the Clean Water and Safe Drinking Water State Revolving Funds, EPA provides capitalization grants to each state which in turn provides subgrants or loans to eligible entities within the state. Typically, the subrecipients are municipal or other local governmental entities that manage the funds. For these types of recipients, the provisions set forth under Roman Numeral I, below, shall apply. Although EPA and the State remain responsible for ensuring subrecipients' compliance with the wage rate requirements set forth herein, those subrecipients shall have the primary responsibility to maintain payroll records as described in Section 3(ii)(A), below and for compliance as described in Section I-5.

Occasionally, the subrecipient may be a private for profit or not for profit entity. For these types of recipients, the provisions set forth in Roman Numeral II, below, shall apply. Although EPA and the State remain responsible for ensuring subrecipients' compliance with the wage rate requirements set forth herein, those subrecipients shall have the primary responsibility to maintain payroll records as described in Section II-3(ii)(A), below and for compliance as described in Section II-5.

I. Requirements Under The Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 113-6)

For Subrecipients That Are Governmental Entities:

The following terms and conditions specify how recipients will assist EPA in meeting its Davis-Bacon (DB) responsibilities when DB applies to EPA awards of financial assistance under the FY 2013 Continuing Resolution with respect to State recipients and subrecipients that are governmental entities. If a subrecipient has questions regarding when DB applies, obtaining the correct DB wage determinations, DB provisions, or compliance monitoring, it may contact Department of Health. If a State recipient needs guidance, they may obtain additional guidance from DOL's web site at <http://www.dol.gov/whd/>.

1. Applicability of the Davis- Bacon (DB) prevailing wage requirements.

Under the FY 2013 Continuing Resolution, DB prevailing wage requirements apply to the construction, alteration, and repair of treatment works carried out in whole or in part with assistance made available by a State water pollution control revolving fund and to any construction project carried out in whole or in part by assistance made available by a drinking water treatment revolving loan fund. If a subrecipient encounters a unique situation at a site that presents uncertainties regarding DB applicability, the subrecipient must discuss the situation with the recipient State before authorizing work on that site.

2. Obtaining Wage Determinations.

(a) Subrecipients shall obtain the wage determination for the locality in which a covered activity subject to DB will take place prior to issuing requests for bids, proposals, quotes or other methods for soliciting contracts (solicitation) for activities subject to DB. These wage determinations shall be incorporated into solicitations and any subsequent contracts. Prime contracts must contain a provision requiring that subcontractors follow the wage determination incorporated into the prime contract.

- (i) While the solicitation remains open, the subrecipient shall monitor www.wdol.gov weekly to ensure that the wage determination contained in the solicitation remains current. The subrecipients shall amend the solicitation if DOL issues a modification more than 10 days prior to the closing date (i.e. bid opening) for the solicitation. If DOL modifies or supersedes the applicable wage determination less than 10 days prior to the closing date, the subrecipients may request a finding from the State recipient that there is not a reasonable time to notify interested contractors of the modification of the wage determination. The State recipient will provide a report of its findings to the subrecipient.
- (ii) If the subrecipient does not award the contract within 90 days of the closure of the solicitation, any modifications or supersedes DOL makes to the wage determination contained in the solicitation shall be effective unless the State recipient, at the request of the subrecipient, obtains an extension of the 90 day period from DOL pursuant to 29 CFR 1.6(c) (3) (iv). The subrecipient shall monitor www.wdol.gov on a weekly

basis if it does not award the contract within 90 days of closure of the solicitation to ensure that wage determinations contained in the solicitation remain current.

(b) If the subrecipient carries out activity subject to DB by issuing a task order, work assignment or similar instrument to an existing contractor (ordering instrument) rather than by publishing a solicitation, the subrecipient shall insert the appropriate DOL wage determination from www.wdol.gov into the ordering instrument.

(c) Subrecipients shall review all subcontracts subject to DB entered into by prime contractors to verify that the prime contractor has required its subcontractors to include the applicable wage determinations.

(d) As provided in 29 CFR 1.6(f), DOL may issue a revised wage determination applicable to a subrecipient's contract after the award of a contract or the issuance of an ordering instrument if DOL determines that the subrecipient has failed to incorporate a wage determination or has used a wage determination that clearly does not apply to the contract or ordering instrument. If this occurs, the subrecipient shall either terminate the contract or ordering instrument and issue a revised solicitation or ordering instrument or incorporate DOL's wage determination retroactive to the beginning of the contract or ordering instrument by change order. The subrecipient's contractor must be compensated for any increases in wages resulting from the use of DOL's revised wage determination.

3. Contract and Subcontract provisions.

(a) The Recipient shall insure that the subrecipient(s) shall insert in full in any contract in excess of \$2,000 which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of a treatment work under the CWSRF or a construction project under the DWSRF financed in whole or in part from Federal funds or in accordance with guarantees of a Federal agency or financed from funds obtained by pledge of any contract of a Federal agency to make a loan, grant or annual contribution (except where a different meaning is expressly indicated), and which is subject to the labor standards provisions of any of the acts listed in § 5.1 or the FY 2013 Continuing Resolution, the following clauses:

(1) Minimum wages.

(i) All laborers and mechanics employed or working upon the site of the work will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in § 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph (a)(1)(ii) of this section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the Borrower and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

Subrecipients may obtain wage determinations from the U.S. Department of Labor's web site, www.dol.gov.

(ii)(A) The subrecipient(s), on behalf of EPA, shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The State award official shall approve a request for an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the subrecipient(s) agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), documentation of the action taken and the request, including the local wage determination shall be sent by the subrecipient (s) to the State award official. The State award official will transmit the request, to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210 and to the EPA DB Regional Coordinator concurrently. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification request within 30 days of receipt and so advise the State award official or will notify the State award official within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the subrecipient(s) do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the award official shall refer the request and the local wage determination, including the views of all interested parties and the recommendation of the State award official, to the Administrator for determination. The request shall be sent to the EPA DB Regional Coordinator concurrently. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt of the request and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(ii)(B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, provided, that the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

(2) Withholding. The subrecipient(s), shall upon written request of the EPA Award Official or an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the contract, the (Agency) may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

(3) Payrolls and basic records.

(i) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing

apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(ii)(A) The contractor shall submit weekly, for each week in which any contract work is performed, a copy of all payrolls to the subrecipient, that is, the entity that receives the sub-grant or loan from the State capitalization grant recipient. Such documentation shall be available on request of the State recipient or EPA. As to each payroll copy received, the subrecipient shall provide written confirmation in a form satisfactory to the State indicating whether or not the project is in compliance with the requirements of 29 CFR 5.5(a)(1) based on the most recent payroll copies for the specified week. The payrolls shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on the weekly payrolls. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <http://www.dol.gov/whd/forms/wh347instr.htm> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the subrecipient(s) for transmission to the State or EPA if requested by EPA, the State, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the subrecipient(s).

(B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under § 5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under § 5.5 (a)(3)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (a)(3)(ii)(B) of this section.

(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

(iii) The contractor or subcontractor shall make the records required under paragraph (a)(3)(i) of this section available for inspection, copying, or transcription by authorized representatives of the State, EPA or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the Federal agency or State may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

(4) Apprentices and trainees--

(i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually

registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.

(5) Compliance with Copeland Act requirements. The Borrower must comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

(6) Subcontracts. The Borrower and/or subcontractor must insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the EPA determines may be appropriate, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

(7) Contract termination; debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

(8) Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

(9) Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes will be resolved according to the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and Subrecipient(s), State, EPA, the U.S. Department of Labor, or the employees or their representatives.

(10) Certification of eligibility.

(i) By entering into this contract, Borrower certifies that neither it (nor he or she) nor any person or firm who has an interest in the Borrower's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 USC 1001.

4. Contract Provision for Contracts in Excess of \$100,000.

(a) Contract Work Hours and Safety Standards Act. The subrecipient shall insert the following clauses set forth in paragraphs (a)(1), (2), (3), and (4) of this section in full in any contract in an amount in excess of \$100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by Item 3, above or 29 CFR 4.6. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

(1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (a)(1) of this section the contractor and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (a)(1) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (a)(1) of this section.

(3) Withholding for unpaid wages and liquidated damages. The subrecipient, upon written request of the EPA Award Official or an authorized representative of the Department of Labor, shall withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b)(2) of this section.

(4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (a)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (a)(1) through (4) of this section.

(b) In addition to the clauses contained in Item 3, above, in any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other statutes cited in 29 CFR 5.1, the Subrecipient shall insert a clause requiring that the contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the contract for all laborers and mechanics, including guards and watchmen, working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Further, the Subrecipient shall insert in any such contract a clause providing that the records to be maintained under this paragraph shall be made available by the

contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the (write the name of agency) and the Department of Labor, and the contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

5. Compliance Verification

(a) The subrecipient shall periodically interview a sufficient number of employees entitled to DB prevailing wages (covered employees) to verify that contractors or subcontractors are paying the appropriate wage rates. As provided in 29 CFR 5.6(a)(6), all interviews must be conducted in confidence. The subrecipient must use Standard Form 1445 (SF 1445) or equivalent documentation to memorialize the interviews. Copies of the SF 1445 are available from EPA on request.

(b) The subrecipient shall establish and follow an interview schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. Subrecipients must conduct more frequent interviews if the initial interviews or other information indicated that there is a risk that the contractor or subcontractor is not complying with DB.

Subrecipients shall immediately conduct interviews in response to an alleged violation of the prevailing wage requirements. All interviews shall be conducted in confidence."

(c) The subrecipient shall periodically conduct spot checks of a representative sample of weekly payroll data to verify that contractors or subcontractors are paying the appropriate wage rates. The subrecipient shall establish and follow a spot check schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, if practicable, the subrecipient should spot check payroll data within two weeks of each contractor or subcontractor's submission of its initial payroll data and two weeks prior to the completion date the contract or subcontract. Subrecipients must conduct more frequent spot checks if the initial spot check or other information indicates that there is a risk that the contractor or subcontractor is not complying with DB. In addition, during the examinations the subrecipient shall verify evidence of fringe benefit plans and payments thereunder by contractors and subcontractors who claim credit for fringe benefit contributions.

(d) The subrecipient shall periodically review contractors and subcontractors use of apprentices and trainees to verify registration and certification with respect to apprenticeship and training programs approved by either the U.S Department of Labor or a state, as appropriate, and that contractors and subcontractors are not using disproportionate numbers of, laborers, trainees and apprentices. These reviews shall be conducted in accordance with the schedules for spot checks and interviews described in Item 5(b) and (c) above.

(e) Subrecipients must immediately report potential violations of the DB prevailing wage requirements to the Department of Health and to the appropriate DOL Wage and Hour District Office listed at

https://www.dol.gov/whd/WHd_district_offices.pdf.

September 22, 2023

Mason County PUD No. 1
Katie Arnold
21971 North Highway 101
Shelton, WA 98584
karnold@mason-pud1.org



RE: Loan Contract Number: DWL28232-0

Dear Katie;

Enclosed is the Drinking Water State Revolving Fund Loan Contract Number identified above for your signature. The Loan Contract details the terms and conditions that will govern the agreement between us, which includes the project's Scope of Work as a formal attachment. Failure to return the contracts within 60 calendar days of the date of this letter may result in your loan offer being withdrawn.

Review, print and sign the document. Once signatures are obtained, scan and return by email to dohcon.mgmt@doh.wa.gov or print and sign a hard copy, and return the originals to us for full execution.

Please note that the U.S. Environmental Protection Agency is the funding source for this program and the Catalog of Federal Domestic Assistance (CFDA) number is 66.468. Consequently, the loan funds are federal and subject to both state and federal requirements.

A non-refundable one-percent loan administration fee will be collected at contract execution (If applicable), including any subsequent amendments where funds are added. The loan amount may be modified to include an amount sufficient to cover the one-percent loan administration fee. In most cases, the fee will be collected in full at contract execution. Please review the terms and conditions of the Loan Contract and all attachments carefully for details.

A requirement of the DWSRF program is that you must maintain updated project records and yearly renewal of your registration in the System for Award Management at www.sam.gov.

Another requirement of the DWSRF program is that all entities are required to verify that the federal government has not suspended or debarred them from receiving federal funds. This includes, but is not limited to, project contractors, subcontractors, engineers, architects, consultants, and equipment vendors. The Exclusion Report can be accessed at www.sam.gov. Failure to provide this required certification may result in termination of your loan contract.

After the Loan Contracts have been signed by the Department or its designee, one fully executed original will be returned to you for your files. Instructions for drawing the loan funds will be returned to you with the executed Loan Contract, as well as the necessary forms. The Loan Contract specifies that draws may be made for costs that have been incurred within the contract period of performance, and which have supporting documentation such as receipts or bills.

We are looking forward to working with you over the course of this project. If you have any questions about this Loan Contract, please contact me.

Sincerely,
Eloise Rudolph
DOH Contract Manager
206.236.3124
Eloise.Rudolph@DOH.WA.GOV

Enclosures:

ATTACHMENT I: SCOPE OF WORK (PROJECT)
ATTACHMENT II: ATTORNEY'S CERTIFICATION
ATTACHMENT III: FEDERAL AND STATE REQUIREMENTS
ATTACHMENT IV: DISADVANTAGED BUSINESS ENTERPRISE REQUIREMENTS
ATTACHMENT V: CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS
ATTACHMENT VI: DWSRF ELIGIBLE PROJECT COSTS
ATTACHMENT VII: LABOR STANDARD PROVISIONS FOR SUBRECIPIENTS THAT ARE GOVERNMENTAL ENTITIES

Washington State Department of Health

DWSRF Municipal Loan Boilerplate

May 2018

Version History		
Date	Revision(s)	Version
05-15-2018	Original - developed via a team of the DWSRF Grant and Loan Unit Supervisor, the DOH Office of Drinking Water Finance Director, the DOH Office of Contracts and Procurement Technical and Policy Advisor, and DOH's Financial Services Assistant Attorney General.	1

1. CONTRACT FACE SHEET

2022-4117 Loan Number: DWL28232-0
Washington State Department of Health (DOH)
Drinking Water State Revolving Fund (DWSRF)
Municipal

1. Borrower Mason County PUD No. 1 21971 N. Hwy. 101 Shelton, WA 98584		2. Borrower Doing Business As (optional)	
3. Borrower Type Construction Loan		4. Borrower's Statutory Authority	
5. Borrower Contract Manager Information Name Katie Arnold Title Chief Administrative Officer Phone 360-877-5249 x219 email; karnold@mason-pud1.org		6. DOH Contract Manager Eloise Rudolph P.O. Box 47822 Olympia, WA 98504-7822 360.236.3124 Eloise.Rudolph@doh.wa.gov	
7. Project Name: Bay East, Manganese Treatment & Consolidation			
8. Loan Amount: \$674,493.00 Loan Fee: \$0.00 Interest Rate: 1.75%	9. Funding Source Federal: <input checked="" type="checkbox"/> State: <input type="checkbox"/> Other: <input type="checkbox"/>	10. Start Date DOE	11. End Date 10/01/2047
12. Federal Funding Agency Environmental Protection Agency Catalogue of Federal Assistance (CFDA) Number 66.468			
13. Borrower Tax ID # 91-6001048	14. SWV # 0028711-00	15. Borrower UBI # 232000374	16. Borrower UEI# KD7HQJF4JNC9
17. Contract Purpose DOH and the party identified above as Borrower, hereafter referred to as BORROWER, have entered into this contract to fund the project identified above that furthers the goals and objectives of the DOH DWSRF Program. The project will be done by the BORROWER as described in the scope of work and this contract. The rights and obligations of the parties are governed by this contract and the following documents incorporated by reference: General Terms and Conditions including Declarations; Attachment I: Scope of Work (Project); Attachment II Attorney's Certification; Attachment III: Federal and State Requirements; Attachment IV: Disadvantaged Business Enterprise Requirements; Attachment V: Certification Regarding Debarment, Suspension, and Other Responsibility Matters; Attachment VI: DWSRF Eligible Project Costs; and Attachment VII: Labor Standard Provisions for Subrecipients that are Governmental Entities. By the signature below, the parties acknowledge and accept the terms of this contract.			
FOR CONTRACTOR		FOR DOH	
SIGNATURE AND DATE		-SIGNATURE and DATE	
NAME and TITLE		-NAME and TITLE	
		APPROVED AS TO FORM ONLY Mark Calkins, AAG Signature on Fi	

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3. DECLARATIONS

3.1. BORROWER INFORMATION

Legal Name:	Mason County PUD #1
Loan Number:	DWL28232-0
Award Year:	2023
State Wide Vendor Number:	0028711-00

3.2. PROJECT INFORMATION (PROJECT)

Project Title:	Bay East Manganese Treatment and Consolidation
Project Location (City or County):	Mason
Project State:	Washington
Project Zip Code:	98584

Project Scope of Work (PROJECT): Attachment I, attached hereto and incorporated by reference.

3.3. CONTRACT COMMUNICATION

Communications regarding Contract performance is delegated by each party to its Contract Manager. Either party may change its Contract Manager by express notice to the other party. Either party may identify on an as needed basis an alternate Contract Manager to serve during the stated temporary absence of its primary Contract Manager. Notices between the parties regarding Contract performance must be provided by written communication to the other party's Contract Manager. Written communication includes email but not voice mail. Notices are presumed received by the other party's Contract Manager upon evidence of delivery between the hours of 8:00 am to 5:00 pm except for state holidays and weekends.

3.4. LOAN INFORMATION

Loan Amount:	\$674,493.00
Loan Fee (Included in loan amount if applicable):	\$0.00
Principal Loan Forgiveness %:	85%
Loan Term:	24 Years
Interest Rate:	1.75%
Payment Month(s):	October 1 st Annually
Earliest Date for Construction Reimbursement:	12 months prior to contract execution.
Time of Performance:	48 months from Contract start date (date of last signature) to Project Completion date.

Notice to Proceed:	18 months from Contract start date (date of last signature)
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3.5. FUNDING INFORMATION

Total Funds from BORROWER:	N/A
Source(s) of Funds from Borrower, with assigned amounts per source:	To be determined
Total State Funds:	To be determined
Total Amount of Federal Award (as applicable):	To be determined
Total Amount of Loan:	\$674,493.00
Federal Award Date:	To be determined
Federal Award ID # (FAIN):	To be determined
Amount of Federal Funds Obligated by this Action:	To be determined

3.6. SPECIAL TERMS AND CONDITIONS

N/A

4. GENERAL TERMS AND CONDITIONS

DRINKING WATER STATE REVOLVING FUND (MUNICIPAL)

4.1. AUTHORITY

Acting under the authority of Section 1452 of the Safe Drinking Water Act (SDWA) Section 130, RCW 39.34, RCW 43.70.040, and RCW 70.119A.170 the Washington State Department of Health (DOH) has awarded BORROWER a Drinking Water State Revolving Fund Loan (LOAN) for the project identified in the Declarations (PROJECT). Under this CONTRACT, BORROWER is a sub-recipient of funds provided by the United States Environmental Protection Agency (EPA), CFDA Number 66.468, Safe Drinking Water State Revolving Fund.

In some CONTRACT attachments, DOH is referred to as "Lender" and BORROWER is referred to as "Contractor."

4.2. FULL AGREEMENT

This CONTRACT contains the full agreement of the parties. No other understandings, oral or otherwise, regarding the subject matter of this CONTRACT exists.

4.3. ORDER OF PRECEDENCE

In the event of an inconsistency in this CONTRACT, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence in the following order: The order of precedence for terms and conditions under categories B and C is subject to the proviso that when a contract term or condition appears in more than one contract document, the more specific contract term or condition shall control if the different contract provisions cannot be harmonized.

- A. Applicable local, state, and federal statutes and regulations
- B. Contract amendments
- C. The Contract (in this order)
 - Declarations and Special Terms and Conditions
 - General Terms and Conditions
 - Attachments I – VII

4.4. LOAN AMOUNT

DOH, using funds from the Drinking Water Assistance Account, will loan BORROWER a sum not to exceed the amount shown as LOAN AMOUNT in the Declarations. The LOAN AMOUNT shall not exceed one hundred percent (100%) of the actual eligible PROJECT costs.

4.5. LOAN FEE

If DOH assessed a LOAN FEE, it is shown in the Declarations as LOAN FEE and included in the total LOAN AMOUNT. The fee (if applicable) is one percent (1%) of the loan request and will not be reduced, regardless of the final LOAN AMOUNT at PROJECT completion. If the LOAN FEE applies and the total LOAN AMOUNT is increased by amendment, DOH will assess an additional LOAN FEE equal to one percent (1%) of the additional LOAN AMOUNT. LOAN FEES are non-refundable.

4.6. LOAN TERM

Unless changed by an amendment, the LOAN TERM will not exceed the period of time shown in the Declarations. The repayment period for DOH subsidized loans is twenty-four (24) years from this CONTRACT's start date. The repayment period for non-DOH subsidized loans is twenty (20) years from this CONTRACT's start date.

4.7. INTEREST RATE

The interest rate is stated in the Declarations. Interest is per annum on the outstanding principal balance and starts to accrue from the date DOH releases LOAN FUNDS to BORROWER.

4.8. LOAN FORGIVENESS

If the LOAN qualifies for LOAN Forgiveness, the percent of the LOAN balance that DOH will forgive at PROJECT completion is stated in the Declarations. DOH calculates the amount forgiven when DOH approves the BORROWER's Project Completion Report. The amount forgiven will be based on either the LOAN AMOUNT or BORROWER's ELIGIBLE PROJECT COSTS, whichever is less, and accrued interest.

4.9. RELEASE OF LOAN FUNDS AND REQUIRED DOCUMENTATION

DOH will release LOAN funds to BORROWER to reimburse BORROWER for eligible PROJECT costs. To request reimbursement, BORROWER must submit a signed and completed invoice using a form provided by DOH. The invoice must reference the PROJECT activity performed, and include supporting documentation such as bills, invoices, receipts, and documentation of compliance with CONTRACT requirements as requested by DOH. The invoice must be signed by an official of BORROWER with authority to bind BORROWER.

Invoices must also include a report of the progress made since the last invoice, and the PROJECT status to date. DOH will not release funds until the PROJECT status report and documentation are approved by DOH. Approval will not be unreasonably withheld or delayed. After approving the invoice, documentation, and PROJECT status report, DOH will release funds to BORROWER within thirty (30) days, if BORROWER is not in alleged or actual breach of CONTRACT.

DOH will withhold ten percent (10%) of LOAN funds until DOH confirms that BORROWER has successfully completed all steps for PROJECT COMPLETION. The 10% holdback will be available to BORROWER as part of the last LOAN disbursement.

4.10. TIME OF PERFORMANCE

BORROWER will begin the activities in the PROJECT within thirty (30) calendar days of the CONTRACT start date. BORROWER will issue a 'Notice to Proceed', after the formal award of a construction contract, within eighteen (18) months of the CONTRACT start date.

BORROWER must reach PROJECT COMPLETION within the TIME OF PERFORMANCE. If there are extenuating circumstances, BORROWER may request, in writing, at least ninety (90) calendar days prior to the PROJECT COMPLETION that DOH extend the deadline for PROJECT COMPLETION. At its discretion, DOH may issue an extension. DOH's decision is final and not subject to the dispute clause.

If BORROWER does not meet the requirements of this section, it is a breach of CONTRACT, and DOH may terminate or suspend this CONTRACT.

4.11. PROJECT COMPLETION AMENDMENT AND THE PROJECT COMPLETION REPORT

The PROJECT Completion Amendment determines the final LOAN AMOUNT and LOAN TERM. When activities in the PROJECT are complete, BORROWER will start the process for the PROJECT Completion Amendment by sending DOH the PROJECT Completion Report. In the PROJECT Completion Report, BORROWER will provide the following information to DOH:

- A. A statement of the actual dollar amount spent, from all fund sources, to complete the PROJECT.
- B. A statement that all ELIGIBLE PROJECT COSTS have been incurred. Costs are incurred when goods and services are received and/or contracted work is performed.
- C. Evidence showing BORROWER'S compliance with financial the audit requirements of this CONTRACT.
- D. An invoice for the remaining ELIGIBLE PROJECT COSTS.
- E. Documentation of BORROWER's compliance with National Historic Preservation Act, 54 USC Subtitle III.

4.12. LOAN PAYMENTS

BORROWER must begin repaying the LOAN no later than one (1) year after the CONTRACT start date. Payments are due on the first day of the month(s) shown as the PAYMENT MONTH(S) in the Declarations. The first payment is only the interest accrued at that time. All other payments are principal and interest accrued up to the PAYMENT

MONTH(S).

BORROWER can repay in full the LOAN balance, including fees and repayment of LOAN FUNDS for ineligible project costs (if any), at any time or make accelerated payments without penalty. The final payment must be on or before the end of the LOAN TERM.

4.13. LOAN DEFAULT

DOH must receive BORROWER'S payment within thirty (30) calendar days of the due date. Late payments are delinquent and assessed a monthly penalty on the first (1st) day past the due date. The penalty is one percent (1%) of the late payment amount per month. Penalty and fees accrue interest at the rate stated as LOAN INTEREST in the Declarations.

DOH may notify any other entity, creditors, or potential creditors of BORROWER's delinquency. BORROWER is responsible for all attorney fees and costs incurred by DOH in any action taken to enforce its rights under this section, including in any alternative dispute resolution proceeding.

4.14. LOAN SECURITY

LOAN Security is only required if identified in the Declarations. In its sole discretion and if allowed under the EPA regulations relevant to this Contract, DOH may subordinate its LOAN security to Borrower's obligations under existing or future bonds and notes. Nothing in this section releases BORROWER from the obligation to make LOAN PAYMENTS when due, and to adjust rates, fees, or surcharges as necessary to meet its obligations under this CONTRACT.

4.15. AMENDMENTS, MODIFICATIONS, ASSIGNMENTS, AND WAIVERS

Amendments, modifications, assignments, and waivers to any of the terms of this CONTRACT supersede, if applicable, those terms as found in the original CONTRACT, and are not binding unless they are in writing and signed by representatives authorized to bind each of the parties. Only the authorized representative or their designee has the express, implied, or apparent authority to alter, amend, assign, modify, or waive any terms of this CONTRACT.

Neither this CONTRACT nor any claim arising under it may be transferred or assigned by BORROWER without DOH's prior written consent. During the LOAN TERM, DOH must approve in advance, any change in ownership of the water system(s) improved with LOAN FUNDS. DOH may require the LOAN, including fees and ineligible project costs (if any), be paid in full as a condition of approval.

Nothing in this CONTRACT may be waived unless approved by DOH in writing. No waiver of any default or breach is implied from any failure to take action upon such default or breach if the default of breach persists or repeats. Waiver of any default or breach is not a waiver of any subsequent default or breach.

4.16. BUILD AMERICA, BUY AMERICA

None of the LOAN funds can be used for the construction, alteration, maintenance, or repair of a public water system or treatment works unless all of the iron and steel, manufactured products, and construction materials used in the project to be produced in the United States ("Build America, Buy America Requirements") including iron and steel, manufactured products, and construction materials provided by the Contactor pursuant to this Agreement. The Contractor hereby represents and warrants to and for the benefit of the Owner and Funding authority.

DOH may waive this requirement if:

- A. Compliance would be inconsistent with the public interest; or
- B. The particular products are not produced in the United States in sufficient and reasonably available quantities and are not of a satisfactory quality; or
- C. Inclusion of products produced in the United States will increase the cost of the overall project by more than twenty-five (25) percent; and
- D. A waiver is approved by the Environmental Protection Agency (EPA).

BORROWER must submit the waiver request to DOH, which will submit it to EPA. The full text of the Build America, Buy America provision can be found under The Infrastructure Investment and Jobs Act ("IIJA"), Pub. L. No. 117-58, which includes the Build America, Buy America Act ("the Act"). Pub. L. No. 117-58, §§ 70901-52.

4.17. ATTORNEYS' FEES

Unless expressly stated under another section of the CONTRACT, each party agrees to bear its own attorneys' fees and costs for litigation or other action brought to enforce the contract terms.

4.18. BONUS AND COMMISSION PAYMENTS NOT ALLOWED

Funds provided under this CONTRACT cannot be used to pay any bonus or commission to gain approval of the loan application or any other approval under this CONTRACT. This section does not prohibit paying for bona fide technical consultants, managerial, or other such services, if payment is for ELIGIBLE PROJECT COSTS.

4.19. COMPLIANCE

BORROWER will comply with all applicable federal, state and local laws, requirements, and ordinances for the design, implementation, and administration of the PROJECT and this CONTRACT, including but not limited to those stated in the CONTRACT attachments. BORROWER will provide DOH with documentation of compliance, if requested.

In the event of BORROWER's alleged or actual noncompliance with any part of this CONTRACT, DOH may suspend all or part of the CONTRACT, withhold payments, or prohibit BORROWER from incurring additional obligations of LOAN FUNDS during the investigation and pending corrective action by BORROWER, or a decision by DOH to terminate the CONTRACT.

4.20. DISPUTES

Except as otherwise provided in this CONTRACT, when a dispute arises between the parties that cannot be solved by direct negotiation, either party may request a dispute hearing with the Director of the Office of Drinking Water (the Director), who may designate a neutral person to decide the dispute. The parties will be equally responsible for any reasonable costs and fees incurred by the neutral.

The party requesting a dispute hearing must:

- A. Be in writing;
- B. State the disputed issues;
- C. State the relative positions of the parties;
- D. State BORROWER's name, address, and the CONTRACT number;
- E. Provide contact information for the requester's representative, and,
- F. Be mailed to the other party's (respondent's) Contract Manager within three (3) working days after the parties agree that they cannot resolve the dispute.

The respondent must send a written answer within five (5) working days.

In the alternative, the parties can agree to submit a mutual request to the Director, which should include each party's response to the other party's characterization of the dispute.

The Director or designee will review the written statements and reply in writing to both parties within ten (10) working days. The Director or designee may extend this period if necessary by notifying the parties. The decision on the dispute is non-binding and is not admissible in any succeeding judicial or quasi-judicial proceeding.

This non-binding dispute process must precede any action in a judicial or quasi-judicial tribunal. Nothing in this CONTRACT limits the parties from using any mutually acceptable alternate dispute resolution (ADR) method in addition to or instead of the dispute hearing procedure outlined above.

4.21. ELIGIBLE PROJECT COSTS

BORROWER will comply with Attachment VI: DWSRF Eligible Project Costs and is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

The purchase of any land necessary for the PROJECT must be included in the PROJECT and be documented with an appraisal or equivalent market evaluation, if approved by DOH, and a valid purchase and sale agreement.

Construction expenses incurred after the date shown as earliest date for construction reimbursement in the Declarations are eligible for reimbursement. Requests for reimbursements for costs related to construction activities will not be accepted until BORROWER has met the following conditions:

- A. Completed the State Environmental Review Process (SEPA Review under RCW 43.21C);
- B. Complied with all provisions of the National Historic Preservation Act, 54 USC Subtitle III;
- C. Complied with Prevailing Wage requirements;
- D. Received approval from DOH of the project report and related construction documents for all applicable activities described in the PROJECT; and
- E. Complied with any other LOAN conditions required by DOH.

BORROWER cannot use LOAN FUNDS for any expenses charged by BORROWER against any other contract, subcontract, or source of funds.

If DOH reimburses BORROWER for costs that are later determined by DOH to be ineligible, BORROWER must repay these funds to DOH no later than when the BORROWER returns the PROJECT Completion Amendment to DOH. Prior to final completion, DOH may withhold payment for such costs as allowed under Section 4.36 RECAPTURE. Repayment is subject to interest retroactive to the date of the applicable disbursement by DOH.

4.22. FALSE, INCORRECT, OR INCOMPLETE INFORMATION OR CLAIM

BORROWER warrants that they have not and will not submit to DOH any information that is materially false, incorrect, or incomplete. Providing false, fictitious, or misleading information with respect to the receipt and disbursements of LOAN funds is a basis for criminal, civil, or administrative fines and/or penalties. DOH may also pursue applicable remedies for violations by BORROWER of this section.

4.23. FINANCIAL AUDIT

DOH may require BORROWER to obtain an audit of this PROJECT conforming to Generally Accepted Accounting Principles (GAAP). BORROWER will maintain its records and accounts to facilitate the audit. BORROWER is responsible for correcting any audit findings. BORROWER is responsible for any audit findings incurred by its own organization and/or its subcontractors. DOH reserves the right to recover from BORROWER all disallowed costs and INELEGIBLE PROJECT COSTS resulting from the audit.

The audit must include a report on compliance, including an opinion (or disclaimer of opinion) about whether the BORROWER is in compliance with laws, regulations and requirements of this CONTRACT that could have a direct and material effect on DOH.

BORROWER must send a copy of any required audit per 2 CFR §200.512 to the DOH Contract Manager, no later than nine (9) months after the end of BORROWER's fiscal year(s). BORROWER must send any audit corrective action plan for audit findings and a copy of the management letter, within three (3) months of the audit report.

4.24. GOVERNING LAW AND VENUE

This CONTRACT shall be construed and interpreted according to the laws of the state of Washington, and the venue of any action brought under the CONTRACT will be in the Superior Court for Thurston County.

4.25. HISTORICAL AND CULTURAL REQUIREMENTS

BORROWER will not conduct or authorize destructive PROJECT planning activities before completing the requirements of the National Historic Preservation Act, 54 USC Subtitle III. BORROWER will not begin construction activities, ground disturbance, or excavation of any sort, until BORROWER has complied with all requirements of the National Historic Preservation Act of 1966, as amended.

If historical or cultural artifacts are discovered during the PROJECT, BORROWER will immediately stop construction and implement reasonable measures to protect the discovery site from further disturbance, take

reasonable steps to ensure confidentiality of the discovery site, restrict access to the site, and notify the concerned tribe's cultural staff or committee, Tribal Historical Preservation Officer (THPO), DOH Contract Manager, and the State's Historical Preservation Officer (SHPO) at the Washington State Department of Archaeology and Historic Preservation (DAHP). If human remains are uncovered, BORROWER will report the presence and location of the remains to the local coroner and law enforcement immediately, then contact the concerned tribe's cultural staff or committee, DOH Contract Manager, and DAHP.

BORROWER is legally and financially responsible for compliance with all laws, regulations, and agreements related to the preservation of historical or cultural sites and artifacts and will hold harmless the state of Washington and DOH in relation to any claim related to historical or cultural sites discovered, disturbed, or damaged as a result of BORROWER'S and BORROWER's subcontractors activities.

BORROWER will include the requirements of this section in all contracts for work or services related to the PROJECT. BORROWER will require that bid documents include an inadvertent discovery plan that meets the requirements of this section.

4.26. INDEMNIFICATION

BORROWER agrees to defend, indemnify, and hold harmless DOH and the state of Washington for claims arising out of or incident to BORROWER'S or any BORROWER'S subcontractor's performance or failure to perform the CONTRACT. BORROWER'S obligation to indemnify, defend, and hold harmless DOH and the state of Washington shall not be eliminated or reduced by any actual or alleged concurrent negligence of DOH or its agents, agencies, employees and officials. BORROWER'S obligation to indemnify, defend and hold harmless DOH and the state of Washington includes any claim by BORROWER'S agents, employees, officers, subcontractors or subcontractor employees.

BORROWER waives immunity under Title 51 RCW to the extent it is required to indemnify, defend and hold harmless the state and its agencies, officers, agents or employees.

4.27. INDUSTRIAL INSURANCE COVERAGE

BORROWER will comply with the applicable parts of Title 51 RCW, Industrial Insurance. If BORROWER fails to provide industrial insurance coverage or fails to pay premiums or penalties on behalf of its employees as required by law, DOH may collect from BORROWER the full amount payable to the Industrial Insurance Accident Fund. DOH may deduct the amount owed by BORROWER to the accident fund from the amount payable to BORROWER by DOH under this CONTRACT, and transmit the deducted amount to the Washington State Department of Labor and Industries (L&I).

4.28. LITIGATION

BORROWER warrants that there is no threatened or pending litigation, investigation, or legal action before any court, arbitrator, or administrative agency that, if adversely determined against BORROWER, would have a materially adverse effect on BORROWER's ability to repay the LOAN. BORROWER agrees to promptly notify DOH if any above-referenced actions become known to BORROWER during the pendency of the Contract.

4.29. NONDISCRIMINATION

BORROWER will not discriminate on the basis of race, creed, color, national origin, families with children, sex, marital status, sexual orientation, age, honorably discharged veteran or military status, or the presence of any sensory, mental, or physical disability or the use of a trained dog guide or service animal by a person with a disability in the performance of this CONTRACT. BORROWER will comply with all federal and state nondiscrimination laws, including, but not limited to Chapter 49.60 RCW, Washington's Law Against Discrimination and 42 USC 12101 et seq., the Americans with Disabilities Act (ADA), and 40 CFR Part 33 Participation by Disadvantaged Business Enterprises in US EPA Programs . Failure by BORROWER to carry out these requirements is a material breach of this CONTRACT. BORROWER is required to include these non-discriminatory provisions in any contract with a subcontractor.

4.30. PREVAILING WAGE

BORROWER will assure that all contractors and subcontractors performing work funded through this CONTRACT comply with prevailing wage laws by paying the higher of state or federal prevailing wages. BORROWER is legally and financially responsible for compliance with the prevailing wage requirements. BORROWER should consult the

United States Department of Labor and Washington State Department of Labor and Industries websites to determine the federal and State prevailing wages that must be paid.

4.31. PROCUREMENT

BORROWER will comply with all procurement requirements for subcontracting for the PROJECT and for obtaining PROJECT-related goods and services. BORROWER must maintain records to verify compliance with procurement requirements.

BORROWER must ensure that all contractors, subcontractors, engineers, vendors, and any other entity for work or services listed in the PROJECT will insert in full, in any contract, the labor standards provisions in Attachment VIII: Labor Standard Provisions for Subrecipients That Are Governmental Entities.

4.32. PROHIBITION STATEMENT

Per Section 106 of the federal Trafficking Victims Protection Act, BORROWER's contractors, subcontractors, engineers, vendors, and any other entity performing work funded by this CONTRACT must comply with and include the following terms and conditions in all contracts for work or services for the PROJECT.

"All forms of trafficking in persons, illegal sex trade, or forced labor practices are prohibited in the performance of this award or subawards under the award, or in any manner during the period of time that the award is in effect. This prohibition applies to you as the recipient, your employees, subrecipients under this award, and subrecipients' employees."

4.33. PROJECT SIGNS

If BORROWER displays, during the TIME OF PERFORMANCE, any signs or markers identifying parties that are providing funds for the PROJECT, BORROWER must include the Washington State Department of Health Drinking Water State Revolving Fund and the Washington State Department of Health as participants in the PROJECT.

4.34. PUBLICITY

BORROWER agrees to get prior written consent from DOH's Contract Manager before publishing or using any advertising or publicity materials that include Washington State or DOH's name, or includes language that may reasonably infer or imply a connection with either one.

4.35. RATES AND RESERVES

BORROWER will maintain reserves at a minimum as required by the Water System Plan or Small Water System Management Plan. BORROWER will timely adopt rate increases and/or capital assessments for the system's services to provide sufficient funds, along with other revenues of the system, to pay all operating expenses and debt repayments during the LOAN TERM.

4.36. RECAPTURE

DOH reserves the right to recapture from BORROWER sufficient funds to compensate DOH for BORROWER's noncompliance with any part of this CONTRACT, in addition to any other remedies available under the CONTRACT, at law, or in equity. DOH may withhold LOAN FUNDS from BORROWER to recapture such funds.

4.37. RECORDKEEPING AND ACCESS TO RECORDS

DOH, its agents, and authorized officials of the state and federal governments will have full access and the right to examine, copy, excerpt, or transcribe, at no additional cost and at all reasonable times, any pertinent documents, papers, records, and books of BORROWER and of persons, firms, or organizations with which BORROWER may contract, involving transactions related to this CONTRACT. BORROWER agrees to keep complete records of its compliance with this CONTRACT for a period of six (6) years from the date that the debt to DOH is paid in full. This includes but is not limited to financial reports. If any litigation, claim or audit is started before the expiration of the six (6) year period, BORROWER must keep the records until all litigation, claims or audit findings involving the records have been resolved. These records retention requirements are in addition to the local government records retention schedules applicable to the BORROWER.

4.38. REGISTRATION WITH THE SYSTEM FOR AWARD MANAGEMENT (SAM)

BORROWER must comply with 48 CFR 52.204-7 to register with the System for Awards Management (SAM.gov). BORROWER is responsible for the accuracy and completeness of its data in the SAM database and any liability resulting from the Government or DOH reliance on inaccurate or incomplete data in it. BORROWER must remain registered in the SAM database. BORROWER should annually review its information in SAM to ensure it is accurate and complete.

4.39. SEVERABILITY

If any part of this CONTRACT or part of any document incorporated by reference is found to be invalid, it will not affect the other parts of this CONTRACT that can be given effect without the invalid part.

4.40. SUBCONTRACTING

Prior to awarding contracts and/or subcontracts, BORROWER must verify that the complete names of both the selected contractor and the owner or president are not in the Federal Excluded Parties List System for Ineligible Professionals and Debarred Contractors (www.SAM.gov). BORROWER must provide the DOH Contract Manager with a screen printout documenting that neither the firm, the owner or the president are excluded.

BORROWER will ensure that every contract and subcontract awarded for the PROJECT after the CONTRACT start date will bind the parties to follow all applicable terms of this CONTRACT. BORROWER is responsible to DOH for noncompliance by its contractors and/or subcontractors. BORROWER's contracts or subcontracts do not release or reduce the BORROWER's liability to DOH for any breach in the performance of BORROWER's duties. BORROWER's contracts and subcontracts must include a term that the state of Washington and DOH are not liable for claims or damages arising from a contractor and/or subcontractor's performance or lack thereof.

4.41. SURVIVAL

The CONTRACT's terms, conditions, and warranties that by its sense and context are intended to survive the completion of the performance, cancellation or termination of this CONTRACT, shall so survive.

4.42. TERMINATION FOR CAUSE

If DOH concludes that BORROWER has failed to comply with the CONTRACT requirements or has otherwise breached one or more parts of the CONTRACT, DOH may, at its discretion, upon notice to BORROWER, terminate or suspend the CONTRACT and/or its attached agreements in whole or in part.

The notice will be in writing and state the reason(s) for termination or suspension, and the effective date. The effective date will be determined by DOH. The notice will allow BORROWER at least thirty (30) business days to cure the breach, if curable. If the breach is not cured or cannot be cured within thirty (30) business days, the outstanding balance of the LOAN, with any interest accrued and other costs as authorized by the CONTRACT shall be due and payable to DOH.

If DOH terminates this CONTRACT under this section, DOH is liable only for payment required under the terms of this CONTRACT for ELIGIBLE PROJECT COSTS incurred prior to the effective date of termination.

At DOH's discretion, the termination for cause may be deemed a termination for convenience if DOH determines that the default or failure to perform was outside BORROWER's control, fault or negligence. The rights and remedies of DOH provided in this CONTRACT are not exclusive and are in addition to any other rights and remedies provided by law. Nothing in this section affects BORROWER's obligations to immediately repay the unpaid balance of the LOAN as prescribed in the Washington Administrative Code (WAC) 246-296-150.

4.43. TERMINATION OR SUSPENSION FOR CONVENIENCE

If funding or appropriation from state, federal, or other sources is withdrawn, reduced, or limited in any way during the TIME OF PERFORMANCE, DOH may:

- A. Delay or suspend releasing LOAN FUNDS until funding or appropriation are available to DOH; or
- B. Amend the CONTRACT to reflect the new funding limitations and conditions; or

- C. Terminate the CONTRACT and/or its attached agreements, in whole or in part; or
- D. Suspend the CONTRACT and/or its attached agreements, in whole or in part.

If DOH terminates the CONTRACT and/or its attached agreements in whole or in part, under this section, DOH will notify BORROWER's representative in writing of the reason(s) for termination, and the effective date. The effective date will be determined by DOH.

DOH may choose to suspend this CONTRACT and/or its attached agreements in whole or in part, if DOH determines that the funding insufficiency will likely be resolved in time for BORROWER to resume activities prior to the end of the TIME OF PERFORMANCE. DOH will notify BORROWER's representative by facsimile or email of the reason(s) for suspension, and the effective date. DOH will determine the effective date. BORROWER must suspend performance on the effective date of the suspension. During the period of suspension each party must notify the other party's representative of any conditions that may reasonably affect its ability to resume performance.

During the suspension, when DOH determines that the funding insufficiency is resolved, DOH may notify BORROWER's representative of the proposed date to resume performance. BORROWER must respond to DOH's representative in writing, within five (5) business days of DOH sending notice, as to whether it can resume performance on that date or offer an alternative date to resume performance. If BORROWER cannot resume performance or the alternative date is not acceptable to DOH, the parties agree the CONTRACT will be deemed terminated for convenience, retroactive to the original date of suspension.

If DOH terminates or suspends this CONTRACT, DOH is liable only for payment required under the terms of this CONTRACT for eligible project costs incurred prior to the effective date of suspension or termination. Nothing in this section shall affect Contractor's obligations to repay the unpaid balance of the LOAN. Nothing in this section affects BORROWER's obligation to repay the LOAN, including fees and other expenses as allowed by the CONTRACT.

4.44. TERMINATION PROCEDURES

When BORROWER receives Notice of Termination or on the date a suspension is converted to a termination, except as otherwise directed by DOH, BORROWER will:

- A. Stop work under the CONTRACT on the date, and to the extent specified, in the notice;
- B. Place no further orders or subcontracts for materials, services, or facilities related to the CONTRACT;
- C. If expressly requested by DOH, assign to DOH any or all of the rights, title, and interest of BORROWER under the orders and subcontracts so terminated, in which case DOH has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts. Any attempt by BORROWER to settle such claims must have the prior written approval of DOH; and
- D. Preserve and transfer any materials, CONTRACT deliverables and/or DOH property in BORROWER's possession as directed by DOH.

Upon termination of this CONTRACT, DOH will pay BORROWER for amounts due under the CONTRACT prior to the date of termination unless such payment is precluded under any other provision of this CONTRACT. DOH may withhold any amount due as DOH reasonably determines is necessary to protect DOH against potential loss or liability resulting from the termination. DOH will pay any withheld amount to BORROWER if DOH later determines that loss or liability will not occur.

4.45. WORK HOURS AND SAFETY STANDARDS

If this CONTRACT exceeds \$100,000, BORROWER must comply with the applicable Contract Work Hours and Safety Standards Act (40 USC Chapter 37). These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

ATTACHMENT I: SCOPE OF WORK (PROJECT)

DWSRF PROGRAM CONSTRUCTION LOAN CONTRACT INFORMATION

2022-4117, BAY EAST, MANGANESE TREATMENT & CONSOLIDATION

DWSRF Scope of Work Form:

Scope of Work:

Project to include:

1. Construct iron and manganese removal treatment include a new building and site construction.
Connect the treatment to the existing water system along with electrical and telemetry.

In addition to costs of construction, costs may include (but are not limited to): engineering, design, construction inspection, hydrogeologic assessment, cultural and environmental review, permits, public involvement, preparation of bid documents, fees, taxes, legal, administrative and audit.

2022-4117, BAY EAST, MANGANESE TREATMENT & CONSOLIDATION**Project Costs by Cost Category:**

COST CATEGORY	CURRENT ESTIMATES
Engineering Report (Preliminary Engineering)	\$.00
Environmental Review	\$.00
Historical Review/Cultural Review	\$.00
Land/ROW Acquisition	\$.00
Permits	\$.00
Public Involvement/Information	\$.00
Bid Documents (Design Engineering)	\$68,900.00
Construction: Estimated Cost. Provide details on following pages.	\$427,125.00
DOH Review/Approval Fees:	\$2,700.00
Contingency: (10% min, 20% max)	\$115,858.00
Sales or Use Taxes	\$36,306.00
Construction Engineering/Inspection	\$0.00
Insurance:	\$0.00
Audit:	\$23,604.00
Legal:	\$0.00
Service Meters (Purchase and Installation)	\$0.00
Other:	\$0.00
TOTAL ESTIMATED PROJECT COSTS (before Loan Fee)	\$674,493.00
DWSRF Loan Origination Fee (1%)	\$0.00
DWSRF Loan Award	\$674,493.00

2022-4117, BAY EAST, MANGANESE TREATMENT & CONSOLIDATION

Project Funding:

TYPE OF FUNDING	SOURCE	CURRENT STATUS
Grants and Other Non-Matching Funds		
Grant #1		\$
Grant #2		\$
Other Grants		\$
New Grants		\$
Total Grants and Other Non-Matching Funds		a) \$0.00
Loans		
<i>This Loan Request</i>	DWSRF loan (DWL28232-0)	\$674,493.00
Other Loan #1		\$
Other Loan #2		\$
Other Loans		\$
New Loans		\$
Total Loans		b) \$674,493.00
Local Revenue		
Source #1		\$
Source #2		\$
Other Local Revenue		\$
New Local Revenue		\$
Total Local Revenue		c) \$0.00
Other Funds		
Other Funds		\$
Other Funds		\$
Total Other Funds		d) \$0.00
TOTAL PROJECT FUNDING		e) \$674,493.00

Engineer's Certification:

The term of this loan will be based on an engineer's certification of the expected useful life of the improvements, as stated below, or 20 years, whichever is less. If the jurisdiction prefers the term of its loan to be less than either 20 years or the useful life of the improvements, the preferred loan term should be indicated here: __ years.

I, _____, licensed engineer, certify that the average expected useful life for the improvements described above is __ years.

Signed: _____

Name: _____

Date: _____

Telephone: _____

Professional Engineer License Number: _____

ATTACHMENT II: ATTORNEY'S CERTIFICATION

DRINKING WATER STATE REVOLVING FUND (MUNICIPAL)

I, _____, hereby certify:

I am an attorney at law admitted to practice in the state of Washington and the duly appointed attorney of BORROWER identified in the Declarations of the Contract identified above; and

I have also examined any and all documents and records, which are pertinent to the Contract, including the application requesting this financial assistance.

Based on the foregoing, it is my opinion that:

1. BORROWER is a public body, properly constituted and operating under the laws of the State of Washington, empowered to receive and expend federal, state and local funds, to contract with the state of Washington, and to receive and expend the funds involved to accomplish the objectives set forth in its application.
2. BORROWER is empowered to accept the Drinking Water State Revolving Fund financial assistance and to provide for repayment of the loan as set forth in the loan agreement.
3. There is currently no litigation in existence seeking to enjoin the commencement or completion of the above-described public facilities project or to enjoin BORROWER from repaying the Drinking Water State Revolving Fund loan extended by DOH with respect to such project. BORROWER is not a party to litigation, which will materially affect its ability to repay such loan on the terms contained in the loan agreement.
4. Assumption of this obligation would not exceed statutory and administrative rule debt limitations applicable to BORROWER.

Signature of Attorney

Date

Name and BAR Number (WSBA No.)

Address

ATTACHMENT III: FEDERAL AND STATE REQUIREMENTS (NOT ALL INCLUSIVE)

1) Environmental and Cultural Authorities

- a) Archeological and Historic Preservation Act of 1974, Public Law 86-523 as amended
- b) Clean Air Act, Public Law 84-159 as amended
- c) Coastal Zone Management Act, Public Law 92-583 as amended
- d) Endangered Species Act, Public Law 93-205 as amended
- e) Environmental Justice, Executive Order 12898
- f) Floodplain Management, Executive Order 11988 as amended by Executive Order 12148
- g) Protection of Wetlands, Executive Order 11990
- h) Farmland Protection Policy Act, Public Law 97-98
- i) Fish and Wildlife Coordination Act, Public Law 85-624 as amended
- j) National Historic Preservation Act, 54 USC Subtitle III
- k) Safe Drinking Water Act, Public Law 93-523 as amended
- l) Wild and Scenic Rivers Act, Public Law 90-542 as amended
- m) Washington State Environmental Policy Act, Chapter 43.21C RCW
- n) Native American Graves Protection and Repatriation Act, Archaeological Resources Protection Act, Revised Code of Washington (RCW) 27.44 regarding Indian Graves and Records; RCW 27.53 regarding Archaeological Sites and Resources; RCW 68.60 regarding Abandoned and Historic Cemeteries and Historic Graves; and Washington Administrative Code (WAC) 25-48 regarding Archaeological Excavation and Removal Permits.

Buy America Build America Requirements

- 2) DWSRF construction projects chosen for FFATA/Equivalency reporting must comply with the Buy America Build America provisions. Projects started prior to May 14, 2022, may be exempt. Visit the EPA website for more information on the BABA requirements and the waiver process at <https://www.epa.gov/cwsrf/build-america-buy-america-baba>

3) Economic and Miscellaneous Authorities

- a) Demonstration Cities and Metropolitan Development Act of 1996, Public Law 89-754 as amended, Executive Order 12372
- b) Procurement Prohibitions under Section 306 of the Clean air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans
- c) Uniform Relocation and Real Property Policies Act, Public Law 91-646 as amended
- d) Debarment and Suspension, Executive Order 12549
- e) H.R. 3547, Consolidated Appropriations Act, 2014.

4) Social Policy Authorities

- a) Age Discrimination Act of 1975, Public Law 94-135
- b) Title VI of the Civil Rights Act of 1964, Public Law 88-352
- c) Section 13 of the Federal Water Pollution Control Act Amendments of 1972, Public Law 92-500 (the Clean Water Act)
- d) Section 504 of the Rehabilitation Act of 1973, Public Law 93-112 (including Executive Orders 11914 and 11250)
- e) Equal Employment Opportunity, Executive Order 11246
- f) Disadvantaged Business Enterprise, Public Law 101-549 (the Clean Air Act), and Public Law 102-389 (the Clean Water Act)
- g) Section 129 of the Small Business Administration Reauthorization and Amendment Act of 1988, Public Law 100-590
- h) Chapter 49.60 RCW, Washington's Law against Discrimination, and 42 USC 12101 et seq. the Americans with Disabilities Act (ADA).
- i) The Contract Work Hours and Safety Standards Act (40 USC 327-333)-Where applicable.
- j) The Genetic Information Nondiscrimination Act of 2008 (GINA), 42 USC s. 2000ff et seq.

5) State Laws

- a) Chapter 36.70A RCW, Growth Management Act
- b) Chapter 39.80 RCW, Contracts for Architectural and Engineering Services
- c) Chapter 39.12 RCW, Washington State Public Works Act
- d) Chapter 43.20 RCW, State Department of Health of Health

- e) Chapter 43.70 RCW, Department of Health
- f) Chapter 43.155 RCW, Public Works Project
- g) Chapter 70.116 RCW, Public Water Systems Coordination Act of 1977
- h) Chapter 70.119 RCW, Public Water Supply Systems Certification and Regulation of Operations
- i) Chapter 70.119A RCW, Public Water Systems, Penalties & Compliances
- j) Chapter 246-290 WAC, Group A Public Water Systems
- k) Chapter 246-291 WAC, Group B Public Water Systems
- l) Chapter 246-292 WAC, Waterworks Operator Certification Regulations
- m) Chapter 246-293 WAC, Water Systems Coordination Act
- n) Chapter 246-294 WAC, Drinking Water Operating Permits
- o) Chapter 246-295 WAC, Satellite System Management Agencies
- p) Chapter 246-296 WAC Drinking Water State Revolving Fund Loan Program
- q) Chapter 173-160 WAC, Minimum Standards for Construction & Maintenance of Wells
- r) Title 173 WAC, Department of Ecology Rules
- s) Title 40 Part 141 Code of Federal Regulations, Federal National Primary Drinking Water Regulations (Section Adopted by Reference)

ATTACHMENT IV: DISADVANTAGED BUSINESS ENTERPRISE REQUIREMENTS

GENERAL COMPLIANCE, 40 CFR, Part 33

BORROWER must comply with the requirements of Environmental Protection Agency's Program for Utilization of Small, Minority and Women's Business Enterprises (MBE/WBE) in procurement under this Contract, contained in 40 CFR, Part 33. BORROWER will use the directory of certified firms available through the Washington State Office of Minority and Women's Business Enterprises to meet the requirements.

FAIR SHARE OBJECTIVES, 40 CFR, Part 33, Subpart D

The following are exemptions from the fair share objective Requirements:

- Grant and loan recipients receiving a total of \$250K or less in EPA financial assistance in a given fiscal year.
- Tribal recipients of Performance Partnership Eligible grants under 40 CFR Part 35, Subpart B.
 - There is a 3-year phase in period for the requirement to negotiate fair share goals for Tribal and Insular Area recipients.
- Recipients of Technical Assistance Grants.

The Fair Share Objectives or goals for the utilization of disadvantaged businesses negotiated with EPA by the WA Office of Minority Women Business are stated below.

Construction	10% MBE	6% WBE
Supplies	8% MBE	4% WBE
Equipment	8% MBE	4% WBE
Purchased Services	10% MBE	4% WBE

BORROWER must accept the fair share objectives/goals stated above and purchase the same or similar construction, supplies, services and equipment, in the same or similar relevant geographic buying market as WA Office of Minority Women Business goals.

SIX GOOD FAITH EFFORTS, 40 CFR, Part 33, Subpart C

Pursuant to 40 CFR, Section 33.301, BORROWER will make the following good faith efforts whenever procuring construction, equipment, services and supplies under an EPA financial assistance agreement, and to ensure that sub-recipients, loan recipients, and prime contractors also comply.

Records documenting compliance with the six good faith efforts shall be retained. The six good faith efforts shall include:

- A. Ensure Disadvantaged Business Enterprises are made aware of contracting opportunities to the fullest extent practicable through outreach and recruitment activities. For Indian Tribal, State and Local Government recipients, this will include placing the Disadvantaged Business Enterprises on solicitation lists and soliciting them whenever they are potential sources.
- B. Make information on forthcoming opportunities available to Disadvantaged Business Enterprises and arrange time frames for contracts and establish delivery schedules, where the requirements permit, in a way that encourages and facilitates participation by Disadvantaged Business Enterprises in the competitive process. This includes, whenever possible, posting solicitations for bids or proposals for a minimum of thirty (30) calendar days before the bid or proposal closing date.
- C. Consider in the contracting process whether firms competing for large contracts could subcontract with Disadvantaged Business Enterprises. For Indian Tribal, State and Local Government recipients, this will include dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by Disadvantaged Business Enterprises in the competitive process.
- D. Encourage contracting with a consortium of Disadvantaged Business Enterprises when a contract is too large for one of these firms to handle individually.
- E. Use the services and assistance of the Small Business Administration and the Minority Business Development Agency of the Department of Health.
- F. If the prime contractor awards subcontracts, also require the prime contractor to take the five good faith efforts in paragraphs A through E above.

MBE/WBE REPORTING, 40 CFR, Part 33, Sections 33.502 and 33.503

BORROWER is required to submit MBE/WBE participation reports to DOH, on a quarterly basis, beginning with the Federal fiscal year reporting period BORROWER receives the award and continuing until the project is completed.

CONTRACT ADMINISTRATION PROVISIONS, 40 CFR, Section 33.302

BORROWER agrees to comply with the contract administration provisions of 40 CFR, Section 33.302.

BORROWER agrees to require all general contractors to provide forms: EPA Form 6100-2 DBE Subcontractor Participation Form and EPA Form 6100-3 DBE Subcontractor Performance Form to all its Disadvantaged Business Enterprise subcontractors, engineers, vendors, and any other entity for work or services listed in the PROJECT. These two (2) forms may be obtained from the EPA Office of Small Business Program's website on the internet at <http://www.epa.gov/osbp/grants.htm>.

BORROWER agrees to require all general contractors to complete and submit to BORROWER and Environmental Protection Agency EPA Form 6100-4 DBE Subcontractor Utilization Form beginning with the Federal fiscal year reporting period BORROWER receives the award and continuing until the project is completed. Only procurements with certified MBE/WBEs are counted toward a Contractor's MBE/WBE accomplishments.

BIDDERS LIST, 40 CFR, Section 33.501(b) and (c)

BORROWER is also required to create and maintain a bidders list if BORROWER of the loan is subject to, or chooses to follow, competitive bidding requirements. Please see 40 CFR, Section 33.501 (b) and (c) for specific requirements and exemptions.

Section 33.501(b) of the rule is as follows:

A recipient of a Continuing Environmental Program Grant or other annual grant must create and maintain a bidders list. In addition, a recipient of an EPA financial assistance agreement to capitalize a revolving loan fund also must require entities receiving identified loans to create and maintain a bidders list if the recipient of the loan is subject to, or chooses to follow, competitive bidding requirements. The purpose of a bidders list is to provide the recipient and entities receiving identified loans who conduct competitive bidding with as accurate a database as possible about the universe of MBE/WBE and non-MBE/WBE prime and subcontractors. The list must include all firms that bid or quote on prime contracts or bid or quote on subcontracts under EPA assisted projects, including both MBE/WBEs.

The bidders list must be kept until the grant project period has expired and the recipient is no longer receiving EPA funding under the grant. For entities receiving identified loans, the bidders list must be kept until the project period for the identified loan has ended. The following information must be obtained from all prime and subcontractors:

- (1) Entity's name with point of contact;
- (2) Entity's mailing address, telephone number, and e-mail address;
- (3) The procurement on which the entity bid or quoted, and when; and
- (4) Entity's status as a MBE/WBE¹ or non-MBE/WBE.

The exemption found at § 33.501(c) is as follows:

A recipient of an EPA financial assistance agreement in the amount of \$250,000 or less for any single assistance agreement, or of more than one financial assistance agreement with a combined total of \$250,000 or less in any one fiscal year, is exempt from the paragraph (b) of this section requirement to create and maintain a bidders list. Also, a recipient under the CWSRF, DWSRF, or BCRLF Program is not required to apply the paragraph (b) of this section bidders list requirement of this subpart to an entity receiving an identified loan in an amount of \$250,000 or less, or to an entity receiving more than one identified loan with a combined total of \$250,000 or less in any one fiscal year. This exemption is limited to the paragraph (b) of this section bidders list requirements of this subpart.

¹ Qualified Women and Minority business enterprises may be found on the Internet at www.omwbe.wa.gov or by contacting the Washington State Office of Minority and Women's Enterprises at 360-704-1181.

ATTACHMENT V: CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS



United States Environmental Protection Agency
Washington, DC 20460

EPA Project Control Number

The terms, "covered transaction, debarred, suspended, ineligible, lower tier covered transaction, person, primary covered transaction, principal, and voluntarily excluded", as used in this attachment, are defined in the rules implementing Executive Order 12549, including 13 CFR § 400.109. You may contact DOH for help getting a copy of these regulations.

BORROWER, defined as the primary participant and its principals, certifies by signing below that to the best of its knowledge and belief they:

- A. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
- B. Have not within a three-year (3) period preceding this CONTRACT, been convicted of or had a civil judgment against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, receiving stolen property, making false claims, or obstruction of justice;
- C. Are not presently indicted for or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses described in this attachment; and,
- D. Have not within a three-year period (3) preceding the signing of this CONTRACT had one or more public transactions (federal, state, or local) terminated for cause or default.

Prior to awarding contracts for the PROJECT, BORROWER must verify that neither the contractor's business name(s) nor the names of its principals are in the Federal Excluded Parties List System for Ineligible Professionals and Debarred Contractors (www.SAM.gov). BORROWER must keep documentation in the PROJECT files and provide a copy to the DOH Contract Manager.

BORROWER will include the language below without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions:

The lower tier contractor certifies, by signing this CONTRACT that neither it nor its principals are debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

I understand that a false statement on this certification may be ground for rejection of this proposal or termination of the award. In addition, under 18 USC Sec. 1001, a false statement may result in a fine or imprisonment for up to 5 years, or both.

Typed or Printed Name & Title of Authorized Representative

Signature of Authorized Representative

Date

☐

I am unable to certify to the above statements. My explanation is attached.

ATTACHMENT VI: DWSRF ELIGIBLE PROJECT COSTS

Must be directly attributable to the project.

1. The costs for complying with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.
2. DWSRF loan fees.
3. The purchase of a portion of another system's capacity, if it is the most cost effective solution (limited to publicly owned (municipal) systems).
4. Construction of reservoirs (clear wells) that are part of the treatment process and are collocated with the treatment facility.
5. Construction of distribution reservoirs (finished water).
6. Cost associated with restructuring or consolidation of existing water systems by publicly owned water systems.
7. Main extensions to connect to safe and reliable sources of drinking water.
8. Cost associated with collecting and preparing environmental assessment documents to obtain local permits.
9. Direct labor including related employee benefits:
 - a. Salaries and wages (at actual or average rates) covering productive labor hours of employees of the borrower (excluding the administrative organization of the operating unit involved) for periods of time actively or incidentally engaged in pre-design engineering, design engineering, construction engineering, acquisition of rights of way, and the cleaning, sterilization or bacteriological testing of water system components prior to public use. The costs of services rendered by employees generally classified as administration/project management of the loan are considered a direct cost only when such employees are assigned the types of services described above and shall be limited to 3% or less of the project loan amount.
 - b. Employee benefits relating to labor are considered a direct cost of construction projects. The following items may be included as employee benefits:
 - F.I.C.A. (Social Security) –employer's share.
 - Retirement benefits.
 - Hospital, health, dental, and other welfare insurance.
 - Life insurance.
 - Industrial and medical insurance.
 - Vacation.
 - Holiday.
 - Sick leave.
 - Military leave and jury duty.Employee benefits must be calculated as a percentage of direct labor dollars. The

computation of predetermined percentage rates to be applied to current labor costs must be based on the average of total employee benefits and total labor costs for the prior fiscal year and adjusted by known current year variations.

- c. Other than work identified in Number 9.a, no costs associated with labor performed by the borrower's employees, including force account work, are eligible for financing assistance.
10. Contract engineering, planning, design, legal, and financial planning services. The Department of Health reserves the right to declare ineligible legal costs that are unreasonable and disproportionate to the project.
11. Contract construction work.
12. Direct vehicle and equipment charges at the actual rental cost paid for the equipment or, in the case of city or county-owned equipment, at the rental rates established by the local government's "equipment rental and revolving fund" following the methods prescribed by the division of municipal corporations. However, such costs must be charged on a uniform basis to equipment used for all projects regardless of the source of funding. Cities with a population of eight thousand or less not using this type of fund are allowed the same rates as used by the State Department of Transportation.
13. Direct materials and supplies.
14. Other direct costs incurred for materials or services acquired for a specific project are eligible costs and may include, but are not limited to such items as:
 - a. Telephone charges.
 - b. Reproduction and photogrammetry costs.
 - c. Video and photography for project documentation.
 - d. Computer usage.
 - e. Printing and advertising.
15. Other project related costs include:
 - Competitive Bidding.
 - Audit.
 - Insurance.
 - Prevailing wages.
 - Attorney fees.
 - Environmental Review.
 - Archaeological Survey.

Water system plan costs are not eligible for reimbursement. Small water system management program and plan amendments costs are eligible for reimbursement.

Projects may be designed to accommodate reasonable growth. This is generally the 20-year projection included in the system's water system plan or small water system management program.

ATTACHMENT VII: LABOR STANDARD PROVISIONS FOR SUBRECIPIENTS THAT ARE GOVERNMENTAL ENTITIES

Wage Rate Requirements Under The Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 113-6)

Preamble

With respect to the Clean Water and Safe Drinking Water State Revolving Funds, EPA provides capitalization grants to each state which in turn provides subgrants or loans to eligible entities within the state. Typically, the subrecipients are municipal or other local governmental entities that manage the funds. For these types of recipients, the provisions set forth under Roman Numeral I, below, shall apply. Although EPA and the State remain responsible for ensuring subrecipients' compliance with the wage rate requirements set forth herein, those subrecipients shall have the primary responsibility to maintain payroll records as described in Section 3(ii)(A), below and for compliance as described in Section I-5.

Occasionally, the subrecipient may be a private for profit or not for profit entity. For these types of recipients, the provisions set forth in Roman Numeral II, below, shall apply. Although EPA and the State remain responsible for ensuring subrecipients' compliance with the wage rate requirements set forth herein, those subrecipients shall have the primary responsibility to maintain payroll records as described in Section II-3(ii)(A), below and for compliance as described in Section II-5.

I. Requirements Under The Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 113-6)

For Subrecipients That Are Governmental Entities:

The following terms and conditions specify how recipients will assist EPA in meeting its Davis-Bacon (DB) responsibilities when DB applies to EPA awards of financial assistance under the FY 2013 Continuing Resolution with respect to State recipients and subrecipients that are governmental entities. If a subrecipient has questions regarding when DB applies, obtaining the correct DB wage determinations, DB provisions, or compliance monitoring, it may contact Department of Health. If a State recipient needs guidance, they may obtain additional guidance from DOL's web site at <http://www.dol.gov/whd/>.

1. Applicability of the Davis- Bacon (DB) prevailing wage requirements.

Under the FY 2013 Continuing Resolution, DB prevailing wage requirements apply to the construction, alteration, and repair of treatment works carried out in whole or in part with assistance made available by a State water pollution control revolving fund and to any construction project carried out in whole or in part by assistance made available by a drinking water treatment revolving loan fund. If a subrecipient encounters a unique situation at a site that presents uncertainties regarding DB applicability, the subrecipient must discuss the situation with the recipient State before authorizing work on that site.

2. Obtaining Wage Determinations.

(a) Subrecipients shall obtain the wage determination for the locality in which a covered activity subject to DB will take place prior to issuing requests for bids, proposals, quotes or other methods for soliciting contracts (solicitation) for activities subject to DB. These wage determinations shall be incorporated into solicitations and any subsequent contracts. Prime contracts must contain a provision requiring that subcontractors follow the wage determination incorporated into the prime contract.

- (i) While the solicitation remains open, the subrecipient shall monitor www.wdol.gov weekly to ensure that the wage determination contained in the solicitation remains current. The subrecipients shall amend the solicitation if DOL issues a modification more than 10 days prior to the closing date (i.e. bid opening) for the solicitation. If DOL modifies or supersedes the applicable wage determination less than 10 days prior to the closing date, the subrecipients may request a finding from the State recipient that there is not a reasonable time to notify interested contractors of the modification of the wage determination. The State recipient will provide a report of its findings to the subrecipient.
- (ii) If the subrecipient does not award the contract within 90 days of the closure of the solicitation, any modifications or supersedes DOL makes to the wage determination contained in the solicitation shall be effective unless the State recipient, at the request of the subrecipient, obtains an extension of the 90 day period from DOL pursuant to 29 CFR 1.6(c) (3) (iv). The subrecipient shall monitor www.wdol.gov on a weekly

basis if it does not award the contract within 90 days of closure of the solicitation to ensure that wage determinations contained in the solicitation remain current.

(b) If the subrecipient carries out activity subject to DB by issuing a task order, work assignment or similar instrument to an existing contractor (ordering instrument) rather than by publishing a solicitation, the subrecipient shall insert the appropriate DOL wage determination from www.wdol.gov into the ordering instrument.

(c) Subrecipients shall review all subcontracts subject to DB entered into by prime contractors to verify that the prime contractor has required its subcontractors to include the applicable wage determinations.

(d) As provided in 29 CFR 1.6(f), DOL may issue a revised wage determination applicable to a subrecipient's contract after the award of a contract or the issuance of an ordering instrument if DOL determines that the subrecipient has failed to incorporate a wage determination or has used a wage determination that clearly does not apply to the contract or ordering instrument. If this occurs, the subrecipient shall either terminate the contract or ordering instrument and issue a revised solicitation or ordering instrument or incorporate DOL's wage determination retroactive to the beginning of the contract or ordering instrument by change order. The subrecipient's contractor must be compensated for any increases in wages resulting from the use of DOL's revised wage determination.

3. Contract and Subcontract provisions.

(a) The Recipient shall insure that the subrecipient(s) shall insert in full in any contract in excess of \$2,000 which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of a treatment work under the CWSRF or a construction project under the DWSRF financed in whole or in part from Federal funds or in accordance with guarantees of a Federal agency or financed from funds obtained by pledge of any contract of a Federal agency to make a loan, grant or annual contribution (except where a different meaning is expressly indicated), and which is subject to the labor standards provisions of any of the acts listed in § 5.1 or the FY 2013 Continuing Resolution, the following clauses:

(1) Minimum wages.

(i) All laborers and mechanics employed or working upon the site of the work will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in § 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph (a)(1)(ii) of this section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the Borrower and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

Subrecipients may obtain wage determinations from the U.S. Department of Labor's web site, www.dol.gov.

(ii)(A) The subrecipient(s), on behalf of EPA, shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The State award official shall approve a request for an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the subrecipient(s) agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), documentation of the action taken and the request, including the local wage determination shall be sent by the subrecipient (s) to the State award official. The State award official will transmit the request, to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210 and to the EPA DB Regional Coordinator concurrently. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification request within 30 days of receipt and so advise the State award official or will notify the State award official within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the subrecipient(s) do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the award official shall refer the request and the local wage determination, including the views of all interested parties and the recommendation of the State award official, to the Administrator for determination. The request shall be sent to the EPA DB Regional Coordinator concurrently. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt of the request and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(ii)(B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, provided, that the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

(2) Withholding. The subrecipient(s), shall upon written request of the EPA Award Official or an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the contract, the (Agency) may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

(3) Payrolls and basic records.

(i) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing

apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(ii)(A) The contractor shall submit weekly, for each week in which any contract work is performed, a copy of all payrolls to the subrecipient, that is, the entity that receives the sub-grant or loan from the State capitalization grant recipient. Such documentation shall be available on request of the State recipient or EPA. As to each payroll copy received, the subrecipient shall provide written confirmation in a form satisfactory to the State indicating whether or not the project is in compliance with the requirements of 29 CFR 5.5(a)(1) based on the most recent payroll copies for the specified week. The payrolls shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on the weekly payrolls. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <http://www.dol.gov/whd/forms/wh347instr.htm> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the subrecipient(s) for transmission to the State or EPA if requested by EPA, the State, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the subrecipient(s).

(B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under § 5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under § 5.5 (a)(3)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (a)(3)(ii)(B) of this section.

(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

(iii) The contractor or subcontractor shall make the records required under paragraph (a)(3)(i) of this section available for inspection, copying, or transcription by authorized representatives of the State, EPA or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the Federal agency or State may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

(4) Apprentices and trainees--

(i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually

registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.

(5) Compliance with Copeland Act requirements. The Borrower must comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

(6) Subcontracts. The Borrower and/or subcontractor must insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the EPA determines may be appropriate, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

(7) Contract termination; debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

(8) Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

(9) Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes will be resolved according to the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and Subrecipient(s), State, EPA, the U.S. Department of Labor, or the employees or their representatives.

(10) Certification of eligibility.

(i) By entering into this contract, Borrower certifies that neither it (nor he or she) nor any person or firm who has an interest in the Borrower's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 USC 1001.

4. Contract Provision for Contracts in Excess of \$100,000.

(a) Contract Work Hours and Safety Standards Act. The subrecipient shall insert the following clauses set forth in paragraphs (a)(1), (2), (3), and (4) of this section in full in any contract in an amount in excess of \$100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by Item 3, above or 29 CFR 4.6. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

(1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (a)(1) of this section the contractor and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (a)(1) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (a)(1) of this section.

(3) Withholding for unpaid wages and liquidated damages. The subrecipient, upon written request of the EPA Award Official or an authorized representative of the Department of Labor, shall withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b)(2) of this section.

(4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (a)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (a)(1) through (4) of this section.

(b) In addition to the clauses contained in Item 3, above, in any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other statutes cited in 29 CFR 5.1, the Subrecipient shall insert a clause requiring that the contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the contract for all laborers and mechanics, including guards and watchmen, working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Further, the Subrecipient shall insert in any such contract a clause providing that the records to be maintained under this paragraph shall be made available by the

contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the (write the name of agency) and the Department of Labor, and the contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

5. Compliance Verification

(a) The subrecipient shall periodically interview a sufficient number of employees entitled to DB prevailing wages (covered employees) to verify that contractors or subcontractors are paying the appropriate wage rates. As provided in 29 CFR 5.6(a)(6), all interviews must be conducted in confidence. The subrecipient must use Standard Form 1445 (SF 1445) or equivalent documentation to memorialize the interviews. Copies of the SF 1445 are available from EPA on request.

(b) The subrecipient shall establish and follow an interview schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. Subrecipients must conduct more frequent interviews if the initial interviews or other information indicated that there is a risk that the contractor or subcontractor is not complying with DB.

Subrecipients shall immediately conduct interviews in response to an alleged violation of the prevailing wage requirements. All interviews shall be conducted in confidence."

(c) The subrecipient shall periodically conduct spot checks of a representative sample of weekly payroll data to verify that contractors or subcontractors are paying the appropriate wage rates. The subrecipient shall establish and follow a spot check schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, if practicable, the subrecipient should spot check payroll data within two weeks of each contractor or subcontractor's submission of its initial payroll data and two weeks prior to the completion date the contract or subcontract. Subrecipients must conduct more frequent spot checks if the initial spot check or other information indicates that there is a risk that the contractor or subcontractor is not complying with DB. In addition, during the examinations the subrecipient shall verify evidence of fringe benefit plans and payments thereunder by contractors and subcontractors who claim credit for fringe benefit contributions.

(d) The subrecipient shall periodically review contractors and subcontractors use of apprentices and trainees to verify registration and certification with respect to apprenticeship and training programs approved by either the U.S Department of Labor or a state, as appropriate, and that contractors and subcontractors are not using disproportionate numbers of, laborers, trainees and apprentices. These reviews shall be conducted in accordance with the schedules for spot checks and interviews described in Item 5(b) and (c) above.

(e) Subrecipients must immediately report potential violations of the DB prevailing wage requirements to the Department of Health and to the appropriate DOL Wage and Hour District Office listed at

https://www.dol.gov/whd/WHD_district_offices.pdf.

Mason PUD 1,

Thank you for all of your
hard work with us in disaster
recovery!

From,

Your Public Assistance
Team

From: [Brandy Milroy](#)
To: [Kristin Masteller](#)
Subject: FW: Water Adequacy Form attn:Brandy
Date: Friday, October 6, 2023 3:54:29 PM
Attachments: [image003.png](#)
[image002.png](#)

Can you please add the email below to correspond on the board packet.

From: J Chancellor <jenchancellor19@gmail.com>
Sent: Friday, October 6, 2023 3:34 PM
To: Brandy Milroy <brandym@mason-pud1.org>
Subject: Re: Water Adequacy Form attn:Brandy

Wow! You all are amazing at the PUD 1. Your staff is always so helpful and nice! And you are all so responsive!

Thank you so much for your help! It is greatly appreciated!

Jenn Chancellor

On Fri, Oct 6, 2023, 3:20 PM Brandy Milroy <brandym@mason-pud1.org> wrote:

Hi Jennifer,

Please see your attached Water Adequacy.

Thank you,

Brandy

Brandy Milroy

Water Resource Manager

N. 21971 Hwy. 101, Shelton, WA 98584

(360) 877-5249, x 218- Office * (360) 877-5339- Fax

Pursuant to the Washington Public Records Act, RCW 42.56, this email, and any attachments, may be disclosed as a public record. This institution is an equal opportunity provider and employer.

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From: Lisa Cates <lisac@mason-pud1.org>
Sent: Friday, October 6, 2023 2:58 PM
To: Brandy Milroy <brandym@mason-pud1.org>
Subject: FW: Water Adequacy Form attn:Brandy

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From: J Chancellor <jenchancellor19@gmail.com>

Sent: Friday, October 6, 2023 2:56 PM

To: Customer Service <customerservice@mason-pud1.org>

Subject: Water Adequacy Form attn:Brandy

-
Hi,

I spoke with a nice woman earlier today who told me I could email my water adequacy form to have it filled out by Brandy.

I have attached the form to this email.

It is for 90 W Meadows Pl in Shelton.

My account number with the PUD is 20349301.

Please call or email me if you have any questions.

Thank you so much for your help.

Jennifer Chancellor

541-890-8250

From: [Brandy Milroy](#)
To: [Kristin Masteller](#)
Subject: FW: New general inquiry from mason-pud1.org
Date: Monday, October 16, 2023 1:05:55 PM

Do you want to added the email below to correspondence for the board.

From: Cassandra Steiger <CassandraS@mason-pud1.org>
Sent: Monday, October 16, 2023 1:04 PM
To: Brandy Milroy <brandym@mason-pud1.org>
Subject: Fw: New general inquiry from mason-pud1.org

From: Louise Bartol <lschmidt_425@hotmail.com>
Sent: Thursday, October 12, 2023 10:27 PM
To: Customer Service <customerservice@mason-pud1.org>
Subject: New general inquiry from mason-pud1.org

Name
Louise Bartol
Date Submitted (Automatically Populated)
10/13/2023
Email
lschmidt_425@hotmail.com
Your Comments
Greatly appreciate Cole & Eric installing metal cover plate at our residence. Way to exceed customer service!