

FINAL

**PUD #1 OF WHATCOM CO
2023 BUDGET**

PUD No. 1 of Whatcom County
2023 Operating Budget
BUDGET AT A GLANCE

	INDUSTRIAL WATER UTILITY 403 <i>(Cherry Point Ind., Irrig.)</i>	GRANDVIEW UTILITY 411 <i>(Potable, Non-potable Water & Fire Protection)</i>	ELECTRIC UTILITY 481	TOTAL COMBINED BUDGET
BUDGETED OPERATING REVENUE				
TOTAL DISTRICT SERVICE REVENUE <i>(Includes Irrigation)</i>	\$ 10,236,144	\$ 265,489	\$ 2,358,938	\$ 12,860,571
TOTAL ELECTRIC "PASS-THRU" REVENUE	-	-	9,260,875	9,260,875
TOTAL BUSINESS SERVICES REVENUE	170,000	-	-	170,000
TOTAL INTEREST AND OTHER REVENUE	135,765	1,222	14,967	151,954
TOTAL BUDGETED OPERATING REVENUE	\$ 10,541,909	\$ 266,710	\$ 11,634,781	\$ 22,443,401
BUDGETED OPERATING COSTS				
LABOR AND BENEFITS				
TOTAL LABOR & BENEFITS - OPERATIONS & MAINTENANCE	\$ 1,176,063	\$ 99,970	\$ 229,979	\$ 1,506,012
TOTAL LABOR & BENEFITS - ADMINISTRATION	1,695,758	6,841	754,043	2,456,642
TOTAL LABOR AND BENEFITS	\$ 2,871,822	\$ 106,811	\$ 984,021	\$ 3,962,654
TOTAL LABOR	1,966,613	69,843	669,920	2,706,376
TOTAL BENEFITS	905,208	36,968	314,102	1,256,278
VARIABLE O&M EXPENSE				
TOTAL PURCHASED WATER	\$ -	\$ 5,579	\$ -	\$ 5,579
TOTAL PURCHASED POWER	560,843	5,373	8,655,786	9,222,003
TOTAL TAXES ON "PASS-THRU" POWER COSTS	-	-	533,065	533,065
TOTAL WATER PURIFICATION	440,138	1,082	-	441,221
TOTAL VARIABLE O&M EXPENSE	\$ 1,000,981	\$ 12,035	\$ 9,188,851	\$ 10,201,867
FIXED O&M EXPENSE				
TOTAL O&M SERVICES	\$ 125,341	\$ 28,351	\$ 109,230	\$ 262,923
TOTAL MATERIAL AND SUPPLIES	132,756	1,686	36,163	170,605
TOTAL EXTRAORDINARY MAINTENANCE	1,010,000	-	250,000	1,260,000
TOTAL FIXED O&M EXPENSE	\$ 1,268,098	\$ 30,038	\$ 395,393	\$ 1,693,528
ADMINISTRATION, PLANNING & BUSINESS DEVELOPMENT (P&BD)				
TOTAL OUTSIDE SERVICES - ROUTINE	\$ 239,282	\$ 22,517	\$ 118,201	\$ 380,000
TOTAL OUTSIDE SERVICES - PLANNING & DEV	576,425	1,705	11,870	590,000
TOTAL INSURANCE	134,368	9,849	40,988	185,205
TOTAL OFFICE EXPENSE	237,729	10,305	89,206	337,240
TOTAL SUBSCRIPTIONS & MEMBERSHIPS	40,455	1,533	27,716	69,703
TOTAL FEES, PERMITS, & ASSESSMENTS	17,341	799	473	18,613
TOTAL ADVERTISEMENTS & NOTICES	5,552	219	2,002	7,773
TOTAL MILEAGE & VEHICLES EXPENSE	7,517	110	1,561	9,188
TOTAL EDUCATION & CONFERENCES	26,024	832	13,997	40,853
TOTAL PAYMENT TO ELECTRIC	81,338	-	-	81,338
TOTAL MISCELLANEOUS AND ELECTIONS	-	-	-	-
SUBTOTAL ADMIN AND P&BD BEFORE TAXES	\$ 1,366,031	\$ 47,869	\$ 306,013	\$ 1,719,913
TOTAL OTHER TAXES	532,495	16,023	171,401	719,919
TOTAL ADMIN, PLANNING & BUSINESS DEV	\$ 1,898,525	\$ 63,891	\$ 477,415	\$ 2,439,831
SUBTOTAL OPERATING BUDGET	\$ 7,039,426	\$ 212,775	\$ 11,045,680	\$ 18,297,880
BUSINESS SERVICES				
TOTAL BUSINESS SERVICES - DIRECT COSTS	\$ 170,000	\$ -	\$ -	\$ 170,000
TOTAL BUSINESS SERVICES	\$ 170,000	\$ -	\$ -	\$ 170,000
CAPITAL COSTS				
TOTAL TRANSFERS FOR CAPITAL PROJECTS	\$ 2,200,000	\$ 60,000	\$ 400,000	\$ 2,660,000
TOTAL DEBT SERVICE - OPERATING FUNDS	1,965,374	-	530,155	2,495,530
TOTAL CAPITAL COSTS	\$ 4,165,374	\$ 60,000	\$ 930,155	\$ 5,155,530
SUBTOTAL BUDGET BEFORE RESERVES	\$ 11,374,800	\$ 272,775	\$ 11,975,835	\$ 23,623,410
TOTAL CHANGE IN OPERATING RESERVES	\$ (832,891)	\$ (6,064)	\$ (341,054)	\$ (1,180,010)
TOTAL BUDGETED OPERATING COSTS	\$ 10,541,909	\$ 266,710	\$ 11,634,781	\$ 22,443,401

S:\Accounting\BUDGET AND RATES\BUDGET 2023\PRINT ONLY BUDGET REPORTS\23 Budget ALL FUNDS.xlsx\Summary

PUD No. 1 of Whatcom County 2023 Operating Budget INTERNAL SERVICE FUND - 500 Allocation of Costs to Other Funds		/-----Allocation to Other Funds-----/			
	INTERNAL SERVICE FUND	INDUSTRIAL WATER UTILITY - 403	GRANDVIEW UTILITY - 411	ELECTRIC UTILITY - 481	TOTAL ALLOCATION
LABOR & BENEFITS - ADMINISTRATION					
TOTAL LABOR & BENEFITS - ADMINISTRATION	\$ 2,456,642	\$ 1,695,758	\$ 6,841	\$ 754,043	\$ 2,456,642
Allocation Factors ->	100.0%	72.9%	3.4%	23.7%	100%
ADMINISTRATION AND PLANNING & BUSINESS DEVELOPMENT (P&BD)					
TOTAL CONTRACT SVC COSTS - DISTRICT	\$ 161,800	\$ 117,873	\$ 5,517	\$ 38,410	\$ 161,800
TOTAL CONTRACT SVC COSTS - P&BD	50,000	37,711	-	12,289	50,000
TOTAL INSURANCE	112,931	82,272	3,851	26,809	112,931
TOTAL OFFICE EXPENSE	319,739	234,982	8,187	76,571	319,739
TOTAL SUBSCRIPTIONS & MEMBERSHIPS	54,288	39,642	1,728	12,918	54,288
TOTAL FEES, PERMITS, & ASSESSMENTS	1,530	1,115	52	363	1,530
TOTAL ADVERTISEMENTS / NOTICES	7,773	5,863	-	1,910	7,773
TOTAL MILEAGE & MEETINGS	3,882	2,928	-	954	3,882
TOTAL EDUCATION & CONFERENCE	25,953	19,575	-	6,379	25,953
TOTAL MISCELLANEOUS	-	-	-	-	-
SUBTOTAL ADMIN AND P&BD BEFORE TAXES	\$ 737,897	\$ 541,960	\$ 19,335	\$ 176,602	\$ 737,897
TAXES	2,732	1,990	93	648	2,732
TOTAL ADMINISTRATION AND P&BD (Net of Labor)	\$ 740,629	\$ 543,950	\$ 19,428	\$ 177,250	\$ 740,629
TOTAL CAPITAL COSTS	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL INTERNAL SERVICE FUND - 500	\$ 3,197,271	\$ 2,239,708	\$ 26,270	\$ 931,293	\$ 3,197,271

S:\Accounting\BUDGET AND RATES\BUDGET 2023\PRINT ONLY BUDGET REPORTS\23 Budget 500.xlsx\EXPENSE Matrix

PUD No.1 of Whatcom County 2023 Operating Budget ALL FUNDS SUMMARY Internal Service Fund Transfers Highlighted	INTERNAL SERVICES FUND - 500	INDUSTRIAL WATER UTILITY - 403 (Cherry Point, Ind., Irrigation.)			GRANDVIEW UTILITY - 411			ELECTRIC UTILITY - 481			TOTAL COMBINED BUDGET
	Allocated to Other Funds	Direct	Allocated from IS	Net	Direct	Allocated from IS	Net	Direct	Allocated from IS	Net	
BUDGETED OPERATING REVENUE											
TOTAL DISTRICT SERVICE REVENUE (Includes Irrigation)				\$ 10,236,144			\$ 265,489			\$ 2,358,938	\$ 12,860,571
TOTAL ELECTRIC "PASS-THRU" REVENUE										9,260,875	9,260,875
TOTAL BUSINESS SERVICE REVENUE				170,000						-	170,000
TOTAL INTEREST AND OTHER REVENUE				135,765			1,222			14,967	151,954
TOTAL BUDGETED OPERATING REVENUE	\$ -	\$ -		\$ 10,541,909	\$ -		\$ 266,710	\$ -		\$ 11,634,781	\$ 22,443,401
BUDGETED OPERATING COSTS											
LABOR AND BENEFITS											
TOTAL LABOR & BENEFITS - OPERATIONS & MAINTENANCE		\$ 1,176,063		\$ 1,176,063	\$ 99,970		\$ 99,970	\$ 229,979		\$ 229,979	\$ 1,506,012
TOTAL LABOR & BENEFITS - ADMINISTRATION	(2,456,642)	-	1,695,758	1,695,758	-	6,841	6,841	-	754,043	754,043	2,456,642
TOTAL LABOR AND BENEFITS	\$ (2,456,642)	\$ 1,176,063	\$ 1,695,758	\$ 2,871,822	\$ 99,970	\$ 6,841	\$ 106,811	\$ 229,979	\$ 754,043	\$ 984,021	\$ 3,962,654
TOTAL LABOR		1,966,613		1,966,613	69,843		69,843	669,920		669,920	2,706,376
TOTAL BENEFITS		905,208		905,208	36,968		36,968	314,102		314,102	1,256,278
VARIABLE O&M EXPENSE											
TOTAL PURCHASED WATER		\$ -		\$ -	\$ 5,579		\$ 5,579	\$ -		\$ -	\$ 5,579
TOTAL PURCHASED POWER		560,843		560,843	5,373		5,373	8,655,786		8,655,786	9,222,003
TOTAL TAXES PROCESS/DELIVERY COST		-		-	-		-	533,065		533,065	533,065
TOTAL WATER PURIFICATION		440,138		440,138	1,082		1,082	-		-	441,221
TOTAL VARIABLE O&M EXPENSE	\$ -	\$ 1,000,981	\$ -	\$ 1,000,981	\$ 12,035	\$ -	\$ 12,035	\$ 9,188,851	\$ -	\$ 9,188,851	\$ 10,201,867
FIXED O&M EXPENSE (Net of Labor and Benefits)											
TOTAL O&M SERVICES		\$ 125,341		\$ 125,341	\$ 28,351		\$ 28,351	\$ 109,230		\$ 109,230	\$ 262,923
TOTAL MATERIAL AND SUPPLIES		132,756		132,756	1,686		1,686	36,163		36,163	170,605
TOTAL EXTRAORDINARY MAINTENANCE		1,010,000		1,010,000	-		-	250,000		250,000	1,260,000
TOTAL FIXED O&M EXPENSE	\$ -	\$ 1,268,098	\$ -	\$ 1,268,098	\$ 30,038	\$ -	\$ 30,038	\$ 395,393	\$ -	\$ 395,393	\$ 1,693,528
ADMINISTRATION, PLANNING & BUSINESS DEVELOPMENT (P&BD)											
TOTAL OUTSIDE SERVICES - ROUTINE	\$ (161,800)	\$ 121,409	\$ 117,873	\$ 239,282	\$ 17,000	\$ 5,517	\$ 22,517	\$ 79,791	\$ 38,410	\$ 118,201	\$ 380,000
TOTAL OUTSIDE SERVICES - PLANNING	(50,000)	538,714	37,711	576,425	1,705	-	1,705	(419)	12,289	11,870	590,000
TOTAL INSURANCE	(112,931)	52,096	82,272	134,368	5,998	3,851	9,849	14,179	26,809	40,988	185,205
TOTAL OFFICE EXPENSE	(319,739)	2,747	234,982	237,729	2,118	8,187	10,305	12,635	76,571	89,206	337,240
TOTAL SUBSCRIPTIONS & MEMBERSHIPS	(54,288)	813	39,642	40,455	(195)	1,728	1,533	14,798	12,918	27,716	69,703
TOTAL FEES, PERMITS, & ASSESSMENTS	(1,530)	16,226	1,115	17,341	746	52	799	110	363	473	18,613
TOTAL ADVERTISEMENTS & NOTICES	(7,773)	(311)	5,863	5,552	219	-	219	91	1,910	2,002	7,773
TOTAL MILEAGE & VEHICLES EXPENSE	(3,882)	4,589	2,928	7,517	110	-	110	607	954	1,561	9,188
TOTAL EDUCATION & CONFERENCES	(25,953)	6,449	19,575	26,024	832	-	832	7,619	6,379	13,997	40,853
TOTAL PAYMENT TO ELECTRIC	-	81,338		81,338	-		-	-		-	81,338
TOTAL MISCELLANEOUS AND ELECTIONS	-	-	-	-	-	-	-	-	-	-	-
SUBTOTAL ADMIN AND P&BD BEFORE TAXES	\$ (737,897)	\$ 824,071	\$ 541,960	\$ 1,366,031	\$ 28,533	\$ 19,335	\$ 47,869	\$ 129,411	\$ 176,602	\$ 306,013	\$ 1,719,913
TOTAL OTHER TAXES	(2,732)	530,504	1,990	532,495	15,930	93	16,023	170,753	648	171,401	719,919
TOTAL ADMINISTRATION AND P&BD	\$ (740,629)	\$ 1,354,575	\$ 543,950	\$ 1,898,525	\$ 44,463	\$ 19,428	\$ 63,891	\$ 300,164	\$ 177,250	\$ 477,415	\$ 2,439,831
Administration and P & BD Including Labor & Benefits				\$3,594,284			\$70,733			\$1,231,457	\$4,806,474
SUBTOTAL OPERATIONS	\$ (3,197,271)	\$ 4,799,718	\$ 2,239,708	\$ 7,039,426	\$ 186,505	\$ 26,270	\$ 212,775	\$ 10,114,387	\$ 931,293	\$ 11,045,680	\$ 18,297,880
BUSINESS SERVICES											
TOTAL BUSINESS SERVICES - DIRECT COSTS	-	170,000		170,000	-		-	-		-	170,000
TOTAL BUSINESS SERVICES	\$ -	\$ 170,000	\$ -	\$ 170,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 170,000
CAPITAL COSTS											
TOTAL TRANSFERS FOR CAPITAL PROJECTS	\$ -	\$ 2,200,000		2,200,000	\$ 60,000		\$ 60,000	\$ 400,000		\$ 400,000	\$ 2,660,000
TOTAL DEBT SERVICE - OPERATING FUNDS	-	1,965,374		1,965,374	-		-	530,155		530,155	2,495,530
TOTAL CAPITAL COSTS	\$ -	\$ 4,165,374	\$ -	\$ 4,165,374	\$ 60,000	\$ -	\$ 60,000	\$ 930,155	\$ -	\$ 930,155	\$ 5,155,530
TOTAL BUDGET BEFORE RESERVES											
	\$ (3,197,271)	\$ 9,135,092	\$ 2,239,708	\$ 11,374,800	\$ 246,505	\$ 26,270	\$ 272,775	\$ 11,044,542	\$ 931,293	\$ 11,975,835	\$ 23,623,410
TOTAL CHANGE IN OPERATING RESERVES											
	\$ -	\$ (832,891)	\$ -	\$ (832,891)	\$ (6,064)	\$ -	\$ (6,064)	\$ (341,054)	\$ -	\$ (341,054)	\$ (1,180,010)
TOTAL BUDGETED OPERATING COSTS											
	\$ (3,197,271)	\$ 8,302,201	\$ 2,239,708	\$ 10,541,909	\$ 240,441	\$ 26,270	\$ 266,710	\$ 10,703,488	\$ 931,293	\$ 11,634,781	\$ 22,443,401

S:\Users\rlg\BUDGET\BUDGET 2023\PRINT ONLY BUDGET REPORTS\23 Budget ALL FUNDS.xlsx\Detailed Summary

PUD No. 1 of Whatcom County
2023 Operating Budget

Revenue Budget

OPERATING REVENUE - SUMMARY	403 - Industrial Water Utility	411 - Grandview Utility	481 - Electric Utility	TOTAL
Service Revenue	\$ 10,236,144	\$ 265,489	\$ 11,619,814	\$ 22,121,446
Business Services Revenue	170,000	-	-	170,000
Interest and Other Revenue	135,765	1,222	14,967	151,954
TOTAL OPERATING REVENUE	\$ 10,541,909	\$ 266,710	\$ 11,634,781	\$ 22,443,401

Service Revenue	403 - Industrial Water Utility	411 - Grandview Utility	481 - Electric Utility	TOTAL
WATER SALES				
INDUSTRIAL				
Operations	\$ 3,895,027	\$ 44,900		\$ 3,939,926
Fire Protection	19,571	79,701		99,273
Fixed Capital	4,484,808			4,484,808
Variable	1,728,266	140,887		1,869,154
TOTAL INDUSTRIAL	10,127,672	265,489	-	10,393,161
TEMPORARY WATER SALES				
Operations	4,097			4,097
TOTAL TEMPORARY WATER SALES	4,097	-	-	4,097
IRRIGATION				
Fixed	23,442			23,442
Variable	80,933			80,933
TOTAL IRRIGATION	104,375	-	-	104,375
SUBTOTAL WATER SALES	10,236,144	265,489	-	10,501,633
ELECTRIC SALES				
DIRECT SALES				
Power			7,688,315	7,688,315
Transmission			1,039,496	1,039,496
Taxes			533,065	533,065
DISTRICT SERVICES			2,358,938	2,358,938
SUBTOTAL ELECTRIC SALES	-	-	11,619,814	11,619,814
Total Service Revenue	\$ 10,236,144	\$ 265,489	\$ 11,619,814	\$ 22,121,446

Business Services Revenue	403 - Industrial Water Utility	411 - Grandview Utility	481 - Electric Utility	TOTAL
1) Education and Outreach	100,000	-	-	100,000
2) Feasibility Study	70,000	-	-	70,000
				-
Total Business Services Revenue	\$ 170,000	\$ -	\$ -	\$ 170,000

Revenues received for business services - see page 9 under Business Services.

Interest and Other Revenue	403 - Industrial Water Utility	411 - Grandview Utility	481 - Electric Utility	TOTAL
Interest Revenue	\$ 44,344	\$ 1,222	\$ 14,967	\$ 60,533
Other Revenue	91,421	-	-	91,421
Total Interest and Other Revenue	\$ 135,765	\$ 1,222	\$ 14,967	\$ 151,954

Other revenues include cell tower rent, reimbursement from customers for customer specific projects, and land rental.

PUD No. 1 of Whatcom County
2023 Operating Budget

Labor and Benefits Budget

LABOR & BENEFITS - SUMMARY	403 - Industrial Water Utility	411 - Grandview	481 - Electric	TOTAL
Labor & Benefits -Operations & Maintenance	\$ 1,176,063	\$ 99,970	\$ 229,979	\$ 1,506,012
Labor & Benefits - Administration	1,695,758	6,841	754,043	2,456,642
TOTAL LABOR & BENEFITS	\$ 2,871,822	\$ 106,811	\$ 984,021	\$ 3,962,654

Labor & Benefits -Operations & Maintenance

Labor and benefits for O&M activities - does not include time spent on capital projects.

Labor & Benefits - Administration

Labor and benefits for administration are for the Commissioners, General Manager, Admin Assistant, Accounting staff, and Operations management, not allocated to planning and business development or capital projects. Cost are allocated to specific funds based on unique allocation factors for each employee.



Variable O&M Expense Budget

VARIABLE O&M EXPENSE - SUMMARY	403 - Industrial Water Utility	411 - Grandview	481 - Electric Utility	TOTAL
Purchased Water	\$ -	\$ 5,579	\$ -	\$ 5,579
Purchased Power & Transmission	560,843	5,373	8,655,786	9,222,003
Water Purification	440,138	1,082	-	441,221
"Pass-Thru" Utility Taxes (Electric)	-	-	533,065	533,065
TOTAL VARIABLE O&M EXPENSE	\$ 1,000,981	\$ 12,035	\$ 9,188,851	\$ 10,201,867

Purchased Water

In 2019 a connection was made from the Industrial Water System to the Grandview Fire System in order to move away from the well and pond which were failing. This is the interfund charge from the Industrial Water System.

Purchased Power & Transmission

Power	\$ 560,843	\$ 5,373	\$ 7,616,290	\$ 8,182,507
Transmission			1,039,496	1,039,496
Total Power & Transmission Expense	\$ 560,843	\$ 5,373	\$ 8,655,786	\$ 9,222,003

Power is purchased from the BPA for resale to Phillips 66 and to supply the pumping requirements of Water Treatment Plant #1 and Water Treatment Plant #2. This also includes the transmission costs from PSE as some PSE lines are used to transmit power to the Enterprise Substation.

Water Purification

Plant #1 Chemicals	\$ 272,130	\$ 1,082		\$ 273,213
Plant #2 Chemicals	168,008			168,008
Total Water Purification	\$ 440,138	\$ 1,082	\$ -	\$ 441,221

Water purifications costs are for the chemicals used to treat water at plant #1 and plant #2, as well as the Grandview potable system.

"Pass-Thru" Utility Taxes (Electric)

State Utility excise and privilege taxes for electric power sales.



PUD No. 1 of Whatcom County
2023 Operating Budget

Fixed O&M Expense Budget

FIXED O&M EXPENSE - SUMMARY	403 - Industrial Water Utility	411 - Grandview	481 - Electric Utility	TOTAL
O&M Services	\$ 125,341	\$ 28,351	\$ 109,230	\$ 262,923
Material & Supplies	132,756	1,686	36,163	170,605
Extraordinary Maintenance	1,010,000	-	250,000	1,260,000
TOTAL FIXED O&M EXPENSE	\$ 1,268,098	\$ 30,038	\$ 395,393	\$ 1,693,528

O&M Services

Cost of O&M services performed by outside vendors.

Material & Supplies

Cost of material and supplies needed to perform O&M functions.

Extraordinary Maintenance

Large maintenance projects that are performed by in-house staff or outside vendors. These are identified in the Extraordinary Maintenance section of the Capital Budget.



Administration, Planning & Business Development Budget

OUTSIDE SERVICES - SUMMARY	403 - Industrial Water Utility	411 - Grandview	481 - Electric Utility	TOTAL
Accounting / Financial Services	\$ 75,713	\$ 6,609	\$ 14,678	\$ 97,000
Computer Services	28,570	1,129	10,300	40,000
Engineering	45,000	7,000	45,000	97,000
Legal Services	69,284	6,553	44,163	120,000
System Monitoring	2,143	1,085	773	4,000
Outside Consulting - Other	8,571	141	3,288	12,000
Power Regulations	10,000	-	-	10,000
TOTAL OUTSIDE SERVICES	\$ 239,282	\$ 22,517	\$ 118,201	\$ 380,000

Accounting / Financial Services

For maintenance and support of the District's accounting/financial software system, audit costs, and arbitrage consulting services. The audit is performed on a two year cycle, with the next audit scheduled for 2023. The rate study with FCS will be completed in the first half of 2023.

Computer Services

Hardware and software maintenance by Minimax, Softwired, Comcast.

Engineering

This includes cost for general, on-call engineering services. Project specific costs for capital projects are identified in the Capital Budget.

Legal Services

Legal services for the District's legal counsel, Chmelik, Sitkin & Davis, to attend the monthly commissioner meetings and perform other general legal services, support and other legal consulting specific to commission. *NOTE: Legal services for planning or capital activities are charged directly to those functions.*

System Monitoring

Security system monitoring costs.

Outside Consulting - Other

Miscellaneous consulting. Includes \$4,000 for ongoing pictometry agreement with Whatcom County. In 2023 an additional amount for work with Becky Peterson was included.

Power Regulations

Costs of power & transmission regulations. Includes WECC, Spill surcharge, BPA Transmission Planner (TP) and Operator (TOP) services and Consultant services related to transmission data requests. The amount allocated to the Electric Utility is incorporated into the costs for power and transmission.



PUD No. 1 of Whatcom County
2023 Operating Budget

PLANNING AND BUSINESS DEVELOPMENT	403 - Industrial Water Utility	411 - Grandview	481 - Electric Utility	TOTAL
1) Small Water Associations	\$ 5,000			\$ 5,000
2) Watershed Management Support	10,000			10,000
3) Habitat Restoration	25,000			25,000
4) Water Supply Management	10,000			10,000
5) Water System Services	30,000			30,000
6) Adjudication	450,000			450,000
7) Community Education	10,000			10,000
8) Community Outreach - NWWF booth	18,213	852	5,935	25,000
9) Logo/Rebranding	10,928	511	3,561	15,000
10) Customer Survey	3,643	170	1,187	5,000
11) Social Media	3,643	170	1,187	5,000
Total Planning & Business Development	\$ 576,425	\$ 1,705	\$ 11,870	\$ 590,000

DESCRIPTION:

- 1) Small Water Associations - Work with Whatcom County in assisting small water associations
- 2) Watershed Management Support - Continued work with Geneva Consulting
- 3) Habitat Restoration - Assisting agencies in protecting and restoring habitat by supporting stream habitat restoration projects.
- 4) Water Supply Management - Support the development of PUD resources in the collection and management of data in managing water resources in Whatcom County and update the PUD water system plan.
- 5) Water System Services - Continued support for water systems and associates.
- 6) Adjudication - Legal, Biologist, and other consultant expenses related to supporting, protecting and utilization of the District's water rights.
- 7) Community Education - Community education in relations to water.
- 8) Community Outreach NWWF booth - Support community education at the NW Washington Fair
- 9) Logo/Rebranding - Update the District's logo and rebranding
- 10) Customer Survey - Survey our customers to gather feedback
- 11) Social Media - Expand the District's social media presence.

PUD No. 1 of Whatcom County
2023 Operating Budget

INSURANCE - SUMMARY	403 - Industrial Water Utility	411 - Grandview	481 - Electric Utility	TOTAL
Insurance - Property	\$ 53,478	\$ 6,660	\$ 11,788	\$ 71,926
Insurance - Liability	81,213	3,801	26,464	111,479
Employee Assistance Program	1,286	51	464	1,800
TOTAL INSURANCE	\$ 135,977	\$ 10,512	\$ 38,716	\$ 185,205

Property - General Assessments & Excess Property

Annual self-insurance assessment for property damage under \$250,000. Public Utility Risk Management Services (PURMS) calculates the District's assessment based on a prorated share of the property values for the entire self-insurance pool, adjusted for risk factors.

Excess Liability Insurance

The annual insurance premiums for excess general and professional liability insurance (for losses above \$1,000,000). Public Utility Risk Management Services (PURMS) administers the self insurance pool, calculates the premium, and remits the District's share to AEGIS (*Associated Electric & Gas Insurance Services Limited*).

Employee Assistance Program

Annual cost to provide Employee Assistance Program to the employees.

_____ ♦ _____

PUD No. 1 of Whatcom County
2023 Operating Budget

OFFICE EXPENSE - SUMMARY	403 - Industrial Water Utility	411 - Grandview	481 - Electric Utility	TOTAL
Office Supplies	\$ 9,219	\$ 280	\$ 2,654	\$ 12,152
Postage and Freight	1,879	74	775	2,728
Printing and Copies	786	31	5,225	6,042
Office Equip - Maint & Maint Contracts	3,203	127	1,155	4,485
Office Grounds Maintenance	13,621	538	4,911	19,070
Office Building Maintenance	43,268	1,710	15,599	60,577
Office - Computer Expenses	128,567	5,082	46,351	180,000
Office Expense - Other	1	0	0	1
Utilities - Communications	29,274	2,364	9,898	41,535
Utilities - Waste and Recycle	5,837	99	2,638	8,574
Utilities - Water	2,075	-	-	2,075
TOTAL OFFICE EXPENSE	\$ 237,729	\$ 10,305	\$ 89,206	\$ 337,240

Office Supplies

Paper, toner, pens, pencils, small office equipment, etc.

Postage and Freight

Postage for regular and special mailings

Printing and Copies

Oversized and specialized copies

Office Equipment - Maint & Maint Contracts

Maintenance contracts on copiers

Office Grounds Maintenance

Cost of landscaping maintenance services

Office Building Maintenance

Includes janitorial services, window cleaning and carpet cleaning for both the Administrative and Maintenance Building

Office - Computer Expenses

General equipment, licenses and computer equipment and supplies under the capital threshold.

Office Expense - Other

Other miscellaneous office needs.

Utilities - Communications

Includes charges for cell phones, DSL line, Scada and Grandview fire lines and land line

Utilities - Waste and Recycle

Waste and recycle expense from Sanitary Service Company for the main office

Utilities - Water

Water and storm water bill from the City of Ferndale for all facilities that use Ferndale water related services

PUD No. 1 of Whatcom County

2023 Operating Budget

SUBSCRIPTIONS & DUES - SUMMARY	403 - Industrial Water Utility	411 - Grandview	481 - Electric Utility	TOTAL
Subscriptions	\$ 4,262	\$ 102	\$ 3,803	\$ 8,167
Dues - Memberships	36,193	1,431	23,913	61,537
TOTAL SUBSCRIPTION & DUES	\$ 40,455	\$ 1,533	\$ 27,716	\$ 69,703

Subscriptions

Subscriptions to local newspapers and trade journals. Subscription to Platts - Megawatt Daily (electric), Clearing up, newspapers, and magazines.

Dues - Memberships

Dues and memberships including SHLB, NW River Partners, NIES, Whatcom Council of Governments, WPUDA, Whatcom Chamber of Commerce, and American Water Works.



FEES, PERMITS, LOCATES - SUMMARY	403 - Industrial Water Utility	411 - Grandview	481 - Electric Utility	TOTAL
Miscellaneous Fees & Permits	\$ 17,084	\$ 799	\$ 473	\$ 18,356
Locates	257	-	-	257
TOTAL FEES, PERMITS, LOCATES	\$ 17,341	\$ 799	\$ 473	\$ 18,613

Miscellaneous Fees & Permits

Major contributors include wastewater permit from the Department of Ecology, DOH certification fees for water operators, and miscellaneous fees.

Locates

Underground locates.



ADVERTISEMENTS & NOTICES SUMMARY	403 - Industrial Water Utility	411 - Grandview	481 - Electric Utility	TOTAL
Advertisements & Notices	\$ 5,552	\$ 219	\$ 2,002	\$ 7,773
TOTAL ADVERTISEMENTS & NOTICES	\$ 5,552	\$ 219	\$ 2,002	\$ 7,773

Advertisements & Notices

Job advertisements, public notices, etc.



MILEAGE & MEETINGS - SUMMARY	403 - Industrial Water Utility	411 - Grandview	481 - Electric Utility	TOTAL
Mileage Reimbursement	\$ 1,058	\$ 30	\$ 560	\$ 1,647
Admin Vehicle Expense	6,459	80	1,001	7,540
TOTAL MILEAGE & MEETINGS	\$ 7,517	\$ 110	\$ 1,561	\$ 9,188

Mileage Reimbursement

Direct mileage reimbursement to District staff for travel between plant and/or business locations.

Admin Vehicle Expense

Fuel and other expenses to operate and maintain the three PUD Admin vehicles spread across the utilities based on operating labor hours



PUD No. 1 of Whatcom County

2023 Operating Budget

EDUCATION AND CONFERENCES - SUMMARY	403 - Industrial Water Utility	411 - Grandview	481 - Electric Utility	TOTAL
Mileage Reimbursement	\$ 2,356	\$ 78	\$ 1,184	\$ 3,619
Travel (Airfare, Parking)	1,123	37	565	1,725
Lodging and Meals	7,170	239	3,604	11,013
Registration	12,940	431	6,505	19,876
Meeting Supplies	1,346	45	677	2,068
Business Lunch	246	8	124	378
Education Materials	1,415	47	711	2,173
TOTAL EDUCATION AND CONFERENCES	\$ 26,597	\$ 885	\$ 13,370	\$ 40,853

Mileage Reimbursement

Mileage reimbursement to District staff for travel related to meetings, conferences and classes.

Travel (Airfare, Parking)

Airfare, parking fees, and other direct travel cost reimbursements to District staff for travel related to meetings, conferences and classes.

Lodging and Meals

Lodging and meal costs for District staff related to meetings, conferences and classes.

Registration

Registration fees for conferences and seminars for District staff.

Meeting Supplies

Supplies or refreshments used during a District meeting.

Business Lunch

Reimbursement for District meetings occurring during a meal time.

Education Materials

Books and other resource materials directly related to a specific utility required for training classes or to update the District's library.

◆

ELECTRIC GENERAL SERVICES CHARGE	403 - Industrial Water Utility	411 - Grandview	481 - Electric Utility	TOTAL
Electric General Service Charge	\$ 81,338		\$	\$ 81,338
TOTAL ELECTRIC GENERAL SERVICE CHARGE	\$ 81,338	\$ -	\$ -	\$ 81,338

Electric General Service Charge

A General Service Charge imposed on Industrial Water by the Electric Utility to cover overhead costs not otherwise allocated.

◆

ELECTIONS & MISCELLANEOUS - SUMMARY	403 - Industrial Water Utility	411 - Grandview	481 - Electric Utility	TOTAL
Miscellaneous Fee & Elections	\$ -	\$ -	\$ -	\$ -
TOTAL ELECTIONS & MISCELLANEOUS	\$ -	\$ -	\$ -	\$ -

Miscellaneous Fee & Elections

Miscellaneous fees not categorized elsewhere, including election costs for the primary and general elections every other year. The next election will occur in 2024.

PUD No. 1 of Whatcom County

2023 Operating Budget

TAXES - SUMMARY	403 - Industrial Water Utility	411 - Grandview	481 - Electric Utility	TOTAL
Utility Tax on District Services	\$ 532,495	\$ 16,023	\$ 120,920	\$ 669,437
Privilege Taxes on District Services			50,481	50,481
TOTAL TAXES	\$ 532,495	\$ 16,023	\$ 171,401	\$ 719,919

Utility Tax on District Services

State excise taxes for water (5.029%) and electric (3.873%) service revenues.

Privilege Taxes on District Services

Privilege tax on District Services portion of electric revenues at 2.14% paid to the Washington State Department of Revenue.

TOTAL ADMIN AND PLANNING & BUS DEV	\$ 1,900,708	\$ 64,607	\$ 474,516	\$ 2,439,831
---	---------------------	------------------	-------------------	---------------------



Business Services

BUSINESS SERVICES SUMMARY	403 - Industrial Water Utility	411 - Grandview	481 - Electric Utility	TOTAL
DIRECT EXPENSES				
1) Education and Outreach	\$ 100,000			\$ 100,000
2) Feasibility Study	70,000			70,000
REIMBURSEMENTS				
1) Education and Outreach	(100,000)			(100,000)
2) Feasibility Study	(70,000)			(70,000)
TOTAL BUSINESS SERVICES	\$ -	\$ -	\$ -	\$ -

DESCRIPTION:

- 1) Education and Outreach - Puget Sound Partnership Grant for education on water resources.
- 2) Feasibility Study - DOH grant to work with the Fairfield and Double LL water systems



PUD No. 1 of Whatcom County
2023 Operating Budget

Debt Service

DEBT SERVICE SUMMARY	403 - Industrial Water Utility	411 - Grandview	481 - Electric Utility	TOTAL
2012 LTGO Series A	\$ 215,280			\$ 215,280
2012 LTGO Series B	146,766		62,952	209,718
2013 LTGO Bonds	451,000			451,000
2016 LTGO Bonds		160,995		160,995
2021 LTGO Bonds	1,107,996		467,204	1,575,200
EDI Loan	44,332			44,332
TOTAL DEBT SERVICE	\$ 1,965,374	\$ 160,995	\$ 530,155	\$ 2,656,525

2012 LTGO Series A

Debt service on the 2004 Series A bonds which paid for improvements on both Plant I and Plant II and a SCADA improvement. 2004 Series A was refinanced in 2012 to lower interest rate costs.

2012 LTGO Series B

Debt service on the portion of the 2004 LTGO Series B bonds attributable to the closed Telecom Utility and Electric Utility upgrades. 2004 bonds were refinanced in 2012 to lower interest rate costs. Portion specific to the Electric Utility upgrades dropped off after 2019, leaving only the Telecom portion.

2013 LTGO Bonds

Debt service on the 2013 bonds which completed the funding for the Plant 2 rebuild.

2016 LTGO Bonds

Debt service on the 2007 bonds which funded the Grandview extension (LUD). 2007 bonds were refinanced in 2016 to lower interest rate costs. This will be paid with LUD assessments.

2021 LTGO Bonds

Debt service on the refinance of the 2010 series B bonds which financed the Plant 2 rebuild and the purchase of the Enterprise and Ferndale Substation. Also included is new funding which was used to cover the cost of the Refinery Substation prior to the project being canceled, and the Ferndale substation cost.

EDI Loan

Debt service on the 2019 EDI loan to finance the connection of the Industrial Water System to the Grandview Fire System.



PUD No. 1 of Whatcom County 2023 Operating Budget By Function						
	OPERATIONS & MAINTENANCE	ADMIN, P&BD	BUSINESS SERVICES	RATE FUNDED CAPITAL COSTS & RESERVE CHANGES		
INDUSTRIAL WATER UTILITY - 403 (Cherry Point Industrial, Irrigation)	Total O&M Costs	Total Admin Costs	Net Bus Ser Costs	Direct Costs	Alloc. from Other Functions	TOTAL BUDGET
LABOR AND BENEFITS (Net of Capitalized Labor)						
TOTAL LABOR AND BENEFITS	\$ 1,176,063	\$ 1,695,758	\$ -	\$ -	\$ -	\$ 2,871,822
TOTAL LABOR	779,575	1,187,039	-	-	-	1,966,613
TOTAL BENEFITS	396,489	508,720	-	-	-	905,208
VARIABLE O&M EXPENSE						
TOTAL PURCHASED POWER	\$ 560,843	\$ -	\$ -	\$ -	\$ -	\$ 560,843
TOTAL WATER PURIFICATION	440,138	-	-	-	-	440,138
TOTAL VARIABLE O&M EXPENSE	\$ 1,000,981	\$ -	\$ -	\$ -	\$ -	\$ 1,000,981
FIXED O&M EXPENSE						
TOTAL O&M SERVICES	\$ 125,341	\$ -	\$ -	\$ -	\$ -	\$ 125,341
TOTAL MATERIAL/SUPPLY	132,756	-	-	-	-	132,756
TOTAL EXTRAORDINARY MAINTENANCE	1,010,000	-	-	-	-	1,010,000
TOTAL FIXED O&M EXPENSE	\$ 1,268,098	\$ -	\$ -	\$ -	\$ -	\$ 1,268,098
ADMINISTRATION AND PLANNING & BUSINESS DEVELOPMENT (P&BD)						
TOTAL CONTRACT SVC COSTS - DISTRICT	\$ -	\$ 239,282	\$ -	\$ -	\$ -	\$ 239,282
TOTAL CONTRACT SVC COSTS - P&BD	-	576,425	-	-	-	576,425
TOTAL INSURANCE	-	134,368	-	-	-	134,368
TOTAL OFFICE EXPENSE	-	237,729	-	-	-	237,729
TOTAL SUBSCRIPTIONS & MEMBERSHIPS	-	40,455	-	-	-	40,455
TOTAL FEES, PERMITS & ASSESSMENTS	-	17,341	-	-	-	17,341
TOTAL ADVERTISEMENTS & NOTICES	-	5,552	-	-	-	5,552
TOTAL MILEAGE & MEETINGS	-	7,517	-	-	-	7,517
TOTAL EDUCATION & CONFERENCES	-	26,024	-	-	-	26,024
TOTAL PAYMENT TO ELECTRIC	-	81,338	-	-	-	81,338
TOTAL MISCELLANEOUS & OTHER	-	-	-	-	-	-
SUBTOTAL ADMIN AND P&BD BEFORE TAXES	\$ -	\$ 1,366,031	\$ -	\$ -	\$ -	\$ 1,366,031
TOTAL TAXES NET OF RURAL ELECTRIC CREDIT	-	532,495	-	-	-	532,495
TOTAL ADMIN, PLANNING & BUSINESS DEV	\$ -	\$ 1,898,525	\$ -	\$ -	\$ -	\$ 1,898,525
BUSINESS SERVICES						
TOTAL BUSINESS SERVICE DIRECT COSTS	\$ -	\$ -	\$ 170,000	\$ -	\$ -	\$ 170,000
TOTAL BUSINESS SERVICES	\$ -	\$ -	\$ 170,000	\$ -	\$ -	\$ 170,000
TOTAL BUDGET FOR OPERATIONS	\$ 3,445,142	\$ 3,594,284	\$ 170,000	\$ -	\$ -	\$ 7,209,426
CAPITAL COSTS						
TOTAL RATE FUNDED CAPITAL TRANSFER - 403	\$ -	\$ -	\$ -	\$ 2,200,000	\$ -	\$ 2,200,000
TOTAL DEBT SERVICE - 403	-	-	-	1,965,374	-	1,965,374
TOTAL CAPITAL COSTS	\$ -	\$ -	\$ -	\$ 4,165,374	\$ -	\$ 4,165,374
TOTAL BUDGET BEFORE RESERVES	\$ 3,445,142	\$ 3,594,284	\$ 170,000	\$ 4,165,374	\$ -	\$ 11,374,800
CHANGES IN OPERATING RESERVES						
ADDITIONS TO MAINTAIN MINIMUM RESERVES						
TOTAL CHANGE IN RESERVES TO SMOOTH RATES	\$ -	\$ -	\$ -	\$ (832,891)	\$ -	\$ (832,891)
TOTAL CHANGES IN OPERATING RESERVES	\$ -	\$ -	\$ -	\$ (832,891)	\$ -	\$ (832,891)
TOTAL OPERATING BUDGET - 403	\$ 3,445,142	\$ 3,594,284	\$ 170,000	\$ 3,332,483	\$ -	\$ 10,541,909

S:\Accounting\BUDGET AND RATES\BUDGET 2023\PRINT ONLY BUDGET REPORTS\23 Budget 403.xlsx\EXPENSE Matrix

PUD No. 1 of Whatcom County 2023 Operating Budget By Function					
	OPERATIONS & MAINTENANCE	ADMIN, P&BD	BUSINESS SERVICES	RATE FUNDED CAPITAL COSTS & RESERVE CHANGES	
GRANDVIEW WATER UTILITY - 411 (Potable and Fire)	Total O&M Costs	Total Admin Costs	Net Bus Ser Costs	Direct Costs	Alloc. from Other Functions
LABOR AND BENEFITS (Net of Capitalized Labor)					
TOTAL LABOR AND BENEFITS	\$ 99,970	\$ 6,841	\$ -	\$ -	\$ -
TOTAL LABOR	65,561	4,282	-	-	-
TOTAL BENEFITS	34,409	2,559			
VARIABLE O&M EXPENSE					
TOTAL PURCHASED WATER	\$ 5,579	\$ -	\$ -	\$ -	\$ -
TOTAL PURCHASED POWER	5,373	-	-	-	-
TOTAL WATER PURIFICATION	1,082	-	-	-	-
TOTAL VARIABLE O&M EXPENSE	\$ 12,035	\$ -	\$ -	\$ -	\$ -
FIXED O&M EXPENSE					
TOTAL O&M SERVICES	\$ 28,351	\$ -	\$ -	\$ -	\$ -
TOTAL MATERIAL/SUPPLY	1,686	-	-	-	-
TOTAL EXTRAORDINARY MAINTENANCE	-	-	-	-	-
TOTAL FIXED O&M EXPENSE	\$ 30,038	\$ -	\$ -	\$ -	\$ -
ADMINISTRATION AND PLANNING & BUSINESS DEVELOPMENT (P&BD)					
TOTAL CONTRACT SVC COSTS - DISTRICT	\$ -	\$ 22,517	\$ -	\$ -	\$ -
TOTAL CONTRACT SVC COSTS - P&BD	-	1,705	-	-	-
TOTAL INSURANCE	-	9,849	-	-	-
TOTAL OFFICE EXPENSE	-	10,305	-	-	-
TOTAL SUBSCRIPTIONS & MEMBERSHIPS	-	1,533	-	-	-
TOTAL FEES, PERMITS & ASSESSMENTS	-	799	-	-	-
TOTAL ADVERTISEMENTS & NOTICES	-	219	-	-	-
TOTAL MILEAGE & MEETINGS	-	110	-	-	-
TOTAL EDUCATION & CONFERENCES	-	832	-	-	-
TOTAL MISCELLANEOUS & OTHER	-	-	-	-	-
SUBTOTAL ADMIN AND P&BD BEFORE TAXES	\$ -	\$ 47,869	\$ -	\$ -	\$ -
TOTAL TAXES	-	16,023	-	-	-
TOTAL ADMIN, PLANNING & BUSINESS DEV	\$ -	\$ 63,891	\$ -	\$ -	\$ -
BUSINESS SERVICES					
TOTAL BUSINESS SERVICE DIRECT COSTS	-	-	-	-	-
TOTAL BUSINESS SERVICE REIMBURSEMENT	-	-	-	-	-
NET BUSINESS SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL BUDGET FOR OPERATIONS	\$ 142,042	\$ 70,733	\$ -	\$ -	\$ -
CAPITAL COSTS					
TOTAL RATE FUNDED CAPITAL TRANSFER - 403	\$ -	\$ -	\$ -	\$ 60,000	\$ -
TOTAL DEBT SERVICE	-	-	-	-	-
TOTAL CAPITAL COSTS	\$ -	\$ -	\$ -	\$ 60,000	\$ -
TOTAL BUDGET BEFORE RESERVES	\$ 142,042	\$ 70,733	\$ -	\$ 60,000	\$ -
CHANGES IN OPERATING RESERVES					
ADDITIONS TO MAINTAIN MINIMUM RESERVES					
TOTAL CHANGE IN RESERVES TO SMOOTH RATES	\$ -	\$ -	\$ -	\$ (6,064)	\$ -
TOTAL CHANGES IN OPERATING RESERVES	\$ -	\$ -	\$ -	\$ (6,064)	\$ -
TOTAL OPERATING BUDGET - 411	\$ 142,042	\$ 70,733	\$ -	\$ 53,936	\$ -

S:\Accounting\BUDGET AND RATES\BUDGET 2023\PRINT ONLY BUDGET REPORTS\23 Budget 411.xlsx\EXPENSE Matrix

PUD No. 1 of Whatcom County 2023 Operating Budget By Function					
	OPERATIONS & MAINTENANCE	ADMIN, P&BD	BUSINESS SERVICES	RATE FUNDED CAPITAL COSTS & RESERVE CHANGES	
ELECTRIC UTILITY - 481	Total O&M Costs	Total Admin Costs	Net Bus Ser Costs	Direct Costs	Alloc. from Other Functions
LABOR AND BENEFITS (Net of Capitalized Labor)					
TOTAL LABOR AND BENEFITS	\$ 229,979	\$ 754,043	\$ -	\$ -	\$ -
TOTAL LABOR	152,451	517,469	-	-	-
TOTAL BENEFITS	77,528	236,574			
VARIABLE O&M EXPENSE					
TOTAL PURCHASED POWER	\$ 9,188,851	\$ -	\$ -	\$ -	\$ -
TOTAL WATER PURIFICATION	-	-	-	-	-
TOTAL VARIABLE O&M EXPENSE	\$ 9,188,851	\$ -	\$ -	\$ -	\$ -
FIXED O&M EXPENSE					
TOTAL O&M SERVICES	\$ 109,230	\$ -	\$ -	\$ -	\$ -
TOTAL MATERIAL/SUPPLY	36,163	-	-	-	-
TOTAL EXTRAORDINARY MAINTENANCE	250,000	-	-	-	-
TOTAL FIXED O&M EXPENSE	\$ 395,393	\$ -	\$ -	\$ -	\$ -
ADMINISTRATION AND PLANNING & BUSINESS DEVELOPMENT (P&BD)					
TOTAL CONTRACT SVC COSTS - DISTRICT	\$ -	\$ 118,201	\$ -	\$ -	\$ -
TOTAL CONTRACT SVC COSTS - P&BD	-	11,870	-	-	-
TOTAL INSURANCE	-	40,988	-	-	-
TOTAL OFFICE EXPENSE	-	89,206	-	-	-
TOTAL SUBSCRIPTIONS & MEMBERSHIPS	-	27,716	-	-	-
TOTAL FEES, PERMITS & ASSESSMENTS	-	473	-	-	-
TOTAL ADVERTISEMENTS & NOTICES	-	2,002	-	-	-
TOTAL MILEAGE & MEETINGS	-	1,561	-	-	-
TOTAL EDUCATION & CONFERENCES	-	13,997	-	-	-
TOTAL MISCELLANEOUS & OTHER	-	-	-	-	-
SUBTOTAL ADMIN AND P&BD BEFORE TAXES	\$ -	\$ 306,013	\$ -	\$ -	\$ -
TOTAL TAXES NET OF RURAL ELECTRIC CREDIT	-	171,401	-	-	-
TOTAL ADMIN, PLANNING & BUSINESS DEV	\$ -	\$ 477,415	\$ -	\$ -	\$ -
BUSINESS SERVICES					
TOTAL BUSINESS SERVICE DIRECT COSTS	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL BUSINESS SERVICE REIMBURSEMENT	-	-	-	-	-
NET BUSINESS SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL BUDGET FOR OPERATIONS	\$ 9,814,222	\$ 1,231,457	\$ -	\$ -	\$ -
CAPITAL COSTS					
TOTAL RATE FUNDED CAPITAL TRANSFER - 403	\$ -	\$ -	\$ -	\$ 400,000	\$ -
TOTAL DEBT SERVICE	-	-	-	530,155	-
TOTAL CAPITAL COSTS	\$ -	\$ -	\$ -	\$ 930,155	\$ -
TOTAL BUDGET BEFORE RESERVES	\$ 9,814,222	\$ 1,231,457	\$ -	\$ 930,155	\$ -
CHANGES IN OPERATING RESERVES					
TOTAL ADDITIONS TO MAINTAIN MINIMUM RESERVES	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL CHANGE IN RESERVES TO SMOOTH RATES	-	-	-	(341,054)	-
TOTAL CHANGES IN OPERATING RESERVES	\$ -	\$ -	\$ -	\$ (341,054)	\$ -
TOTAL OPERATING BUDGET - 481	\$ 9,814,222	\$ 1,231,457	\$ -	\$ 589,101	\$ -

S:\Accounting\BUDGET AND RATES\BUDGET 2023\PRINT ONLY BUDGET REPORTS\23 Budget 481.xlsxEXPENSE Matrix

PUBLIC UTILITY DISTRICT #1 of Whatcom County

Estimates for Alcoa Escrow Fund (490)

	2021	2022	2023	2024	2025	2026	2027	2028	2021-2028 TOTAL
Beginning Balance	\$420,068	\$217,399	\$92,625	\$38,551	\$38,937	\$39,326	\$39,720	\$40,117	\$420,068
<i>Plus: Interest Revenue (net of fees)</i>	3,319	1,287	926	386	389	393	397	401	7,498
Less: Mike Owens GV connection	(205,988)								(205,988)
Less: Broadband Vision for those underserved in Whatcom county		(50,000)							(50,000)
Less: PUD Impact Study			(5,000)						(5,000)
Less: Electric Feasibility Study - GDS		(76,060)							(76,060)
Less: Clean & Renewable Energy Study			(50,000)						(50,000)
Ending Balance	\$217,399	\$92,625	\$38,551	\$38,937	\$39,326	\$39,720	\$40,117	\$40,518	\$40,518

S:\Accounting\BUDGET AND RATES\BUDGET 2023\SOURCE FILES\490 ALCOA ESCROW PROJECTIONS.xlsx\CASH FLOW SUMMARIES CURRENT

PUD No. 1 of Whatcom County

EMPLOYEE COST SUMMARY

2023			2022			2021		
EMPLOYEES w/o Commissioners	Budget Count	Change	Forecast Count	Change	Actual Count			
Administration and Finance	17	4	13	1	12			
O&M Management	2	0	2	0	2			
Water Operations	6	0	6	0	6			
Electric Operations	2	0	2	0	2			
TOTAL EMPLOYEES*	27	4	23	1	22			
LABOR & BENEFIT COSTS	Budget	\$ Change	Percent	Forecast	\$ Change	Percent	Actual	
Employee	\$ 3,973,534	\$ 476,387	13.6%	\$ 3,497,147	\$ 534,961	18.1%	\$ 2,962,186	
Commissioner	209,569	(5,357)	-2.5%	214,925	(10,451)	-4.6%	225,376	
TOTAL LABOR & BENEFITS	\$ 4,183,103	\$ 471,030	12.7%	\$ 3,712,072	\$ 524,510	16.5%	\$ 3,187,562	
Operations	\$ 3,962,654	\$ 366,744		\$ 3,595,910	\$ 611,194		\$ 2,984,716	
Capital	\$ 220,449	\$ 104,286		\$ 116,163	\$ (86,683)		\$ 202,846	

* Employee count is as of December 31st

S:\Accounting\BUDGET AND RATES\BUDGET 2023\SOURCE FILES\23 LABOR BUDGET.xlsx slide

PUD No. 1 of Whatcom County 2023 LABOR & BENEFIT COST ALLOCATION	LABOR HOURS	Percent of Labor Hours			LABOR COSTS	PENSION	SOC SEC & MEDICARE	WORKMANS COMP	PPRL	HEALTH BENEFITS	CLOTHING ALLOWANCE	TOTAL BENEFITS	TOTAL LABOR AND BENEFITS
		Operations & Capital	Without Grandview	Tax & Cap Alloc (Excl Alloc Estrow)									
INDUSTRIAL WATER UTILITY - 403 (Cherry Point Ind., Wholesale, Irrigation)	36,525.94	69%	75.4%	72.9%	\$ 1,966,613	\$ 189,378	\$ 153,081	\$ 12,990	\$ 10,984	\$ 534,932	\$ 3,843	\$ 905,208	\$ 2,871,822
	9,206.26				384,085	52,460	27,851	5,176	2,108	91,105	1,109	179,830	543,884
	9,313.71				415,570	55,791	33,321	5,806	2,412	115,595	2,734	216,589	532,169
	-				-	-	-	-	-	-	-	-	-
	17,598.96				1,187,039	81,127	91,910	2,008	6,463	327,213	-	508,770	1,685,758
	902.72				187,830	1,994	13,299	89	988	6,805	-	23,175	211,205
	11,554.91				645,497	58,521	49,823	1,542	3,599	168,375	-	217,830	917,297
	3,120.00				142,497	11,200	11,945	175	791	55,198	-	79,907	272,894
	2,279.15				102,311	9,413	8,547	202	506	42,099	-	60,826	163,138
	192.19				108,442	-	8,296	-	540	84,137	-	72,882	187,425
GRANDVIEW - POTABLE WATER - 411	1,481.47	2.8%		3.0%	59,848	9,629	4,638	817	353	15,815	241	31,483	91,341
	1,172.02				46,121	7,998	3,530	659	274	11,558	171	21,281	70,402
	245.36				10,893	1,490	871	152	63	3,037	70	5,683	16,576
	-				-	-	-	-	-	-	-	-	-
	-				-	-	-	-	-	-	-	-	-
	63.06				2,834	151	237	6	16	1,120	-	1,528	4,352
	22.06				1,592	37	133	2	9	392	-	573	2,165
	-				-	-	-	-	-	-	-	-	-
	-				-	-	-	-	-	-	-	-	-
	40.98				1,241	114	104	4	7	728	-	908	2,197
GRANDVIEW - FIRE PROTECTION - 411	228.20	0.4%		0.5%	9,995	1,171	815	123	57	3,245	63	5,475	15,470
	31.24				1,278	213	94	18	7	310	5	606	1,674
	153.11				7,319	939	800	101	42	2,157	59	3,798	11,117
	-				-	-	-	-	-	-	-	-	-
	-				-	-	-	-	-	-	-	-	-
	-				-	-	-	-	-	-	-	-	-
	43.85				1,448	119	121	4	8	779	-	1,031	2,479
	2.87				207	5	17	0	1	51	-	74	281
	-				-	-	-	-	-	-	-	-	-
	46.98				1,241	114	104	4	7	728	-	908	2,197
SUBTOTAL - COSTS FOR WATER FUNDS	38,235.61	72%	75%	76.3%	\$ 2,036,456	\$ 200,178	\$ 158,635	\$ 13,930	\$ 11,394	\$ 563,993	\$ 4,147	\$ 942,176	\$ 2,978,633
ELECTRIC - 481	11,902.26	22%	24.5%	23.7%	\$ 669,920	\$ 56,763	\$ 53,600	\$ 3,252	\$ 3,663	\$ 195,344	\$ 1,479	\$ 314,102	\$ 984,021
	582.00				38,203	3,915	2,991	485	171	11,048	371	18,360	56,784
	2,192.06				114,247	10,511	9,814	1,558	646	35,511	1,108	58,948	173,155
	-				-	-	-	-	-	-	-	-	-
	-				-	-	-	-	-	-	-	-	-
	9,028.20				517,489	42,738	40,595	1,210	2,846	148,786	-	238,574	754,043
	192.33				32,909	306	2,378	19	174	1,984	-	4,957	37,859
	6,957.18				390,903	34,629	30,326	1,023	2,123	192,009	-	170,110	554,073
	-				-	-	-	-	-	-	-	-	-
	1,840.80				93,836	7,713	7,003	168	464	34,844	-	50,191	134,026
SUBTOTAL - COSTS FOR ELECTRIC FUNDS	11,902.26	22%	25%	23.7%	\$ 669,920	\$ 56,763	\$ 53,600	\$ 3,252	\$ 3,663	\$ 195,344	\$ 1,479	\$ 314,102	\$ 984,021
CONSTRUCTION WORK-IN-PROGRESS	50,137.87	95%	100.0%	100.0%	\$ 2,706,376	\$ 258,941	\$ 212,135	\$ 17,182	\$ 15,057	\$ 749,337	\$ 5,626	\$ 1,256,278	\$ 3,962,854
	2,807.91	5%			\$ 153,482	\$ 14,120	\$ 12,822	\$ 1,635	\$ 849	\$ 37,540	\$ -	\$ 66,967	\$ 220,449
	-				-	-	-	-	-	-	-	-	-
	2,807.91				153,482	14,120	12,822	1,635	849	37,540	-	66,967	220,449
	-				-	-	-	-	-	-	-	-	-
	-				-	-	-	-	-	-	-	-	-
	-				-	-	-	-	-	-	-	-	-
	2,807.91				153,482	14,120	12,822	1,635	849	37,540	-	66,967	220,449
	-				-	-	-	-	-	-	-	-	-
	-				-	-	-	-	-	-	-	-	-

PUD No. 1 of Whatcom County		LABOR HOURS		Percent of Labor Hours			LABOR COSTS	PENSION	SOC SEC & MEDICARE	WORKMANS COMP	PTFL	HEALTH BENEFITS	CLOTHING ALLOWANCE	TOTAL BENEFITS	TOTAL LABOR AND BENEFITS
2023 LABOR & BENEFIT COST ALLOCATION		-	-	Operations & Capital	Without Grandview	Tax & Cap Alloc (Excl. Above)									
COMMISSIONERS		-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL LABOR & BENEFIT COSTS		52,945.79	100%	100%	100%	100%	\$ 2,859,858.23	\$ 271,062	\$ 224,957	\$ 18,817	\$ 15,905	\$ 786,878	\$ 5,626	\$ 1,323,245	\$ 4,183,103

COMBINED OPERATIONS & MAINT	23,093.79	43%	0%	0%	43%	0%	997,866.36	132,607.04	78,873.14	13,954.67	5,724.31	271,440.39	5,025.79	508,425.32	1,506,071.69
COMBINED PLANNING & BUSINESS DEV	-	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	-	-
COMBINED BUSINESS SERVICES	-	0%	0%	0%	0%	0%	-	-	-	-	-	-	-	-	-
COMBINED ADMINISTRATION	23,942.00	45%	0%	0%	45%	0%	1,662,271.07	138,254.75	146,083.59	4,862.45	10,161.13	515,437.28	-	814,815.18	2,677,091.05
GENERAL MANAGER	1,000.00	2%	0%	0%	2%	0%	222,535.17	2,481.13	15,926.86	110.25	1,171.84	9,232.26	-	26,772.56	25,730.73
GENERAL ADMINISTRATION	18,512.09	35%	0%	0%	35%	0%	1,029,870.20	93,149.55	60,149.88	2,564.55	6,692.50	260,393.70	-	441,940.19	1,477,310.59
CONTRACTS AND RESOURCE MGMT	5,927.91	11%	0%	0%	11%	0%	296,469.34	25,320.18	24,760.46	1,810.32	1,639.44	93,337.79	-	145,873.18	443,342.52
FINANCE AND CUSTOMERS	4,160.00	8%	0%	0%	8%	0%	188,025.17	17,353.88	15,757.70	375.53	1,043.10	78,337.97	-	112,523.58	301,558.76
COMMISSIONERS	222.00	0%	0%	0%	0%	0%	125,265.00	-	9,592.77	-	634.34	74,095.54	-	84,323.66	239,598.55
TOTAL	52,945.79	100%	100%	100%	100%	100%	2,859,858.23	271,061.79	224,956.73	18,817.12	15,905.44	786,877.65	5,625.79	1,323,244.51	4,183,102.75

Whatcom County PUD No. 1 of Whatcom County 2023 LABOR & BENEFIT COST ALLOCATION

11/18/2022

**PUD No. 1 of Whatcom County
2023 Capital Improvement Budget (CIP)**

CIP Number	Project Name	2022 Projected	2023 Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	2023-2027 Budget
INTERNAL SERVICES								
IS-1	Admin Office Remodel	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
IS-3	Office Plant 2 Remodel	17,062	-	-	-	-	-	-
IS-5	Administrative Staff Vehicles	40,296	-	-	-	-	-	40,000
IS-9	Lawnmower / Tractor Replacement	19,585	-	-	-	-	-	-
IS-12	SCADA System Analysis, Equipment Eval & Upgrade	20,240	50,000	40,000	40,000	40,000	40,000	210,000
IS-14	Office Equipment and Computer HW & SW Replace	45,250	32,000	25,000	27,000	7,000	70,000	161,000
IS-15	Communications Backbone System Build-out and Upgrade	73	300,000	300,000	300,000	300,000	300,000	1,500,000
	Sub-Total (IS) Internal Services CIP Projects	\$ 142,505	\$ 472,000	\$ 365,000	\$ 367,000	\$ 347,000	\$ 410,000	\$ 1,961,000
INDUSTRIAL WATER								
RWL	PROJECT MANAGEMENT	\$ -	\$ 151,684	\$ 549,038	\$ 1,063,727	\$ 1,038,699	\$ 1,094,712	\$ 3,897,861
RW-14	Water Utility Vehicles	-	115,000	-	55,000	-	55,000	225,000
RW-22	Install Main Line Valves on Distribution System	-	100,000	350,000	450,000	-	-	900,000
RW-27	Water Utility Major Non Vehicle Equipment	-	10,000	10,000	10,000	10,000	10,000	50,000
RW-28	Water Treatment Plant 1 Project	166,188	25,000	25,000	25,000	25,000	25,000	125,000
RW-33	Petrogas Meter/Valve Relocate	171	272,000	-	-	-	-	272,000
RW-34	PSE-Whitehorn Meter/Valve Relocate	-	280,000	-	-	-	-	280,000
RW-35	Plant 1 & 2 VFD Replacement & Additions	65,930	650,000	9,500,000	19,000,000	19,000,000	20,000,000	650,000
RW-38	Plant 1 Rebuild	535,001	900,000	-	-	50,000	-	68,400,000
RW-41	Cathodic Protection	-	-	150,000	150,000	150,000	150,000	50,000
RW-45	Replace Hydrant valves on Douglas Road	-	150,000	-	-	-	-	750,000
MISC	Contingency for Un-Planned Raw Water Projects	-	-	-	-	-	-	-
	Sub-Total (RW) Industrial Raw Water CIP Projects	\$ 767,290	\$ 2,653,684	\$ 10,584,038	\$ 20,753,727	\$ 20,273,699	\$ 21,334,712	\$ 75,599,861
GRANDVIEW								
GVL	PROJECT MANAGEMENT	\$ -	\$ 2,190	\$ 1,996	\$ 2,000	\$ 1,963	\$ 745	\$ 8,894
GVP-3	Grandview Potable System Improvements	8,511	25,000	25,000	25,000	25,000	-	100,000
GVP-4	Potable Plant Land Acquisition	-	75,000	-	-	-	-	75,000
GVP-5	Road Crossing at 2349 Grandview	-	250,000	-	-	-	-	250,000
GVP-6	Line Extension on Grandview Rd	-	100,000	-	-	-	-	100,000
	Sub-Total (GV) Grandview Water CIP Projects	\$ 8,511	\$ 452,190	\$ 26,996	\$ 27,000	\$ 26,963	\$ 745	\$ 533,894
ELECTRIC								
EL	PROJECT MANAGEMENT	\$ -	\$ 66,574	\$ 7,816	\$ 7,842	\$ 10,094	\$ 8,386	\$ 100,712
E-6	115 KV Transmission Structure/Conductor Upgrades	341	50,000	50,000	50,000	50,000	50,000	250,000
E-15	Electric Utility Vehicles	-	127,000	-	-	47,000	-	174,000
E-22	Upgrade/Replace Ferndale Substation	883,800	900,000	-	-	-	-	900,000
E-25	Non-Vehicle Equipment	10,000	10,000	10,000	10,000	10,000	10,000	50,000
E-26	Substation Security	-	50,000	-	-	-	-	50,000
E-27	Refinery Substation Upgrade	153,347	-	-	-	-	-	-
	Sub-Total (E) Electrical CIP Projects	\$ 1,047,488	\$ 1,203,574	\$ 67,816	\$ 67,842	\$ 117,094	\$ 68,386	\$ 1,524,712
EXTRAORDINARY MAINTENANCE								
RW-M-2	Clean Sediment Settling Ponds	\$ 288,741	\$ 310,000	\$ 155,000	\$ 155,000	\$ 155,000	\$ 155,000	\$ 930,000
RW-M-6	Douglas Rd Vault Power & SCADA Upgrades	243	130,000	-	-	-	-	130,000
RW-M-7	D Station Reliability Upgrades	59,622	250,000	-	-	-	-	250,000
RW-M-10	High Head Pump Re-build (Annual Maint Project)	3,194	250,000	125,000	125,000	125,000	125,000	750,000
GVF-M-2	Grandview Fire System Decommissioning	607	-	25,000	75,000	-	-	100,000
E-M-1	Transmission Line Vegetation Management	-	150,000	25,000	25,000	25,000	25,000	250,000
E-M-2	Refinery Substation Testing during turnaround	104,379	-	-	-	-	-	-
E-M-3	Substation Maintenance	-	170,000	135,000	-	-	-	305,000
	Sub-Total (M) Maintenance Projects	\$ 456,786	\$ 1,260,000	\$ 465,000	\$ 380,000	\$ 305,000	\$ 305,000	\$ 2,715,000
	Grand Total	\$ 2,422,580	\$ 6,041,449	\$ 11,508,851	\$ 21,595,569	\$ 21,069,756	\$ 22,118,843	\$ 82,334,467

S:\Accounting\BUDGET AND RATES\BUDGET 2023\SOURCE FILES\23 CAPITAL BUDGET.xls(Summary)

PUD No. 1 of Whatcom County
2023 Capital Improvement Budget (CIP)

ALL FUNDS

CIP PLAN NUMBER:

PROJECT NAME: Project Management (PM)

PROJECT LOCATION: Various PUD locations

STATUS: Existing **Priority:** N/A

ESTIMATED START DATE: On-Going **ESTIMATED COMPLETION DATE:** On-Going

PROJECT DESCRIPTION/SCOPE:

Starting with the 2018 budget, in-house labor associated with capital projects is budgeted on a percentage basis. The percentage is based on labor to total capital costs from the previous years. While this isn't an exact science, it should provide a more accurate labor cost to our fluctuating capital project loads. During the year, staff will charge actual time spent on capital projects and these costs will be capitalized at year-end.

	Total Capital Project Costs b/f PM	IS Capital Costs b/f PM	% of IS Reallocated to RW	% of IS Reallocated to Electric	% of IS Reallocated to Grandview	Industrial Water Capital Costs b/f PM	GV Capital Costs b/f PM	Electric Capital Costs b/f PM
2023	\$ 4,136,000	\$ 472,000	72.9%	23.7%	3.4%	\$ 2,845,857	\$ 41,095	\$ 1,249,048
2024	\$ 10,485,000	\$ 365,000	72.9%	23.7%	3.4%	\$ 10,300,906	\$ 37,446	\$ 146,648
2025	\$ 20,142,000	\$ 367,000	72.9%	23.7%	3.4%	\$ 19,957,363	\$ 37,514	\$ 147,122
2026	\$ 19,714,000	\$ 347,000	72.9%	23.7%	3.4%	\$ 19,487,793	\$ 36,833	\$ 189,375
2027	\$ 20,710,000	\$ 410,000	72.9%	23.7%	3.4%	\$ 20,538,689	\$ 13,981	\$ 157,330
2023-2027	\$ 75,187,000	\$ 1,961,000				\$ 73,130,608	\$ 166,869	\$ 1,889,523

5.3%	Total PM Labor Costs	IS PM Labor Costs	% of IS Reallocated to RW	% of IS Reallocated to Electric	% of IS Reallocated to Grandview	Industrial Water PM Labor Costs	GV PM Labor Costs	Electric PM Labor Costs
2023	\$ 220,449	\$ 25,158	72.9%	23.7%	3.4%	\$ 151,684	\$ 2,190	\$ 66,574
2024	\$ 558,851	\$ 19,455	72.9%	23.7%	3.4%	\$ 549,038	\$ 1,996	\$ 7,816
2025	\$ 1,073,569	\$ 19,561	72.9%	23.7%	3.4%	\$ 1,063,727	\$ 2,000	\$ 7,842
2026	\$ 1,050,756	\$ 18,495	72.9%	23.7%	3.4%	\$ 1,038,699	\$ 1,963	\$ 10,094
2027	\$ 1,103,843	\$ 21,853	72.9%	23.7%	3.4%	\$ 1,094,712	\$ 745	\$ 8,386
2023-2027	\$ 4,007,467	\$ 104,521	72.9%	23.7%	3.4%	\$ 3,897,861	\$ 8,894	\$ 100,712
2022-2026 GT	\$ 79,194,467							

PROJECT JUSTIFICATION:

To allocate project management costs in this manner will provide a consistent level of costs allocated between operations and capital on an annual basis for forecasting purposes.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
District Labor Costs	\$ 220,449	\$ 558,851	\$ 1,073,569	\$ 1,050,756	\$ 1,103,843	\$ 4,007,467
TOTAL CAPITAL COSTS	\$ 220,449	\$ 558,851	\$ 1,073,569	\$ 1,050,756	\$ 1,103,843	\$ 4,007,467
REVENUE:						
Industrial Water Service rates	\$ 151,684	\$ 549,038	\$ 1,063,727	\$ 1,038,699	\$ 1,094,712	\$ 3,897,861
Grandview Service rates	2,190	1,996	2,000	1,963	745	8,894
Electric Service rates	66,574	7,816	7,842	10,094	8,386	100,712
TOTAL REVENUE	\$ 220,449	\$ 558,851	\$ 1,073,569	\$ 1,050,756	\$ 1,103,843	\$ 4,007,467

PUD No. 1 of Whatcom County
2023 Capital Improvement Budget (CIP)

INTERNAL SERVICE FUND - 500

CIP PROJECT NUMBER: IS-1

PROJECT NAME: Admin Office Remodel

PROJECT LOCATION: 1705 Trigg Road

STATUS: New **Priority:** Medium

ESTIMATED START DATE: 2023 **ESTIMATED COMPLETION DATE:** TBD

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

This capital project was added in 2022. The project involves a study to determine the need and options for the expansion of office space at the District's existing administrative offices site. The study also includes options for expanding the Commission meeting room to accommodate more public attendance at Commission meetings. No activities related to the project were undertaken in 2022.

Current Budget Projected Activities

In 2023, the District plans to proceed with the study for determining office space and Commission meeting room expansion.

Project Budget Estimate

Architecture / Engineering	\$ 50,000
Construction	
	\$ 50,000

PROJECT JUSTIFICATION/BENEFITS:

The office expansion is needed for new staff members. The Commission room expansion will allow more in-person public attendance at Commission meetings and provide space to assure proper distancing among occupants should current health protocols remain in effect.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 50,000		\$ -	\$ -	\$ -	\$ 50,000
TOTAL CAPITAL COSTS	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
REVENUE:						
Service Rates (All Fund)	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
TOTAL REVENUE	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000

Capital Costs Beyond 2027: TBD

PUD No. 1 of Whatcom County 2023 Capital Improvement Budget (CIP)

INTERNAL SERVICE FUND - 500

CIP PROJECT NUMBER: IS-5

PROJECT NAME: Administrative Staff Vehicles

PROJECT LOCATION: 1705 Trigg Road

STATUS: On-going **Priority:** Low

ESTIMATED START DATE: On-going **ESTIMATED COMPLETION DATE:** On-going

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

The District's vehicles utilized by administrative staff will be replaced on a planned basis, depending on condition and mileage. In 2020, the District did not purchase a new administrative vehicle; in 2018 the District purchased a new Toyota RAV SUV to replace the existing 2009 Ford Escape. The District will purchase hybrid or all electric powered vehicles in the future as it continues to replace and upgrade its vehicle fleet.

Current Budget Projected Activities

In 2021, the District did not replace the 2011 Toyota Prius. During 2022, the District ordered through the State of Washington purchasing group a new pick-up to replace the 2012 Chevy Colorado during 2022. In 2023, the District plans to purchase a new SUV and retain the existing Prius. This vehicle will be for administrative and operations use.

Project Budget Estimate

Replacement of 2011 Toyota Prius Hybrid 4 Door with new comparable vehicle with signage	\$ 40,000
Replacement of 2012 Chevy Colorado with new comparable vehicle with signage	\$ 40,000
Replacement of 2018 Toyota RAV4 hybrid with new comparable vehicle with signage	\$ 40,000
Acquire new SUV-type vehicle for administrative and operations use.	\$ 40,000

Year	Description	Planned Replacement	Estimated Cost
2011	Toyota Prius	?	\$ 40,000
2012	Chevrolet Colorado	2022	40,000
	SUV	2023	40,000
2018	Toyota Rav4	2028	40,000

PROJECT JUSTIFICATION/BENEFITS:

Administrative vehicles can be used for a number of uses including, administrative meetings, conferences, daily administrative uses (post office, bank, county administration, etc.). At least one vehicle will have 4-wheel drive so that District operations will not be impacted due to weather or road conditions. Hybrid and all-electric vehicles will be considered, based on competitive life-time cost to the District.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ 40,000
TOTAL CAPITAL COSTS	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ 40,000
REVENUE:						
Service Rates (All Fund)	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ 40,000
TOTAL REVENUE	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ 40,000

Capital Costs Beyond 2027: Replacement of vehicles will be based upon accumulated mileage and condition.

PUD No. 1 of Whatcom County
2023 Capital Improvement Budget (CIP)

INTERNAL SERVICE FUND - 500

CIP PROJECT NUMBER: IS-12

PROJECT NAME: SCADA System Analysis, Development, and Upgrades

PROJECT LOCATION: District Facilities

STATUS: On-going **PRIORITY:** High

ESTIMATED START DATE: On-going **ESTIMATED COMPLETION DATE:** On-going

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

The District has been gradually building out its SCADA system and adding features, both hardware and software to enhance SCADA system capability and improve Cyber-Security. The continuing build-out of the fiber optic cable backbone communications system (IS-15) has enabled the deployment of the SCADA system and enhanced capability to monitor operations at the treatment plants and refinery substation.

Current Budget Projected Activities

In 2023, the District plans to further expand its fiber optic cable backbone communication system, which will facilitate further deployment of the SCADA system and its monitoring/control functionality. Cyber Security enhancements to the SCADA system will continue to be evaluated and implemented, as feasible.

Project Budget Estimate

Consultant services and equipment related to SCADA \$ 210,000

Budget Estimate Total: \$ 210,000

PROJECT JUSTIFICATION/BENEFITS:

Opportunities to improve reliability and enhance capabilities of the District's communications system will continually be investigated. This includes telemetry upgrades involving the District's communications tower and other sites. Additional deployment of fiber optic cable as part of the District's backbone communications system will be continually investigated and implemented where feasible. Staff will continue to prioritize the replacement schedule of key SCADA system components as well as provide the opportunity to upgrade specific items or install redundant equipment to improve system reliability. Cyber security will continually be evaluated and enhancements made as necessary to protect the District's utility systems from cyber threats; comply with federal standards and to assure greater system reliability and service to District customers.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 50,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 210,000
TOTAL CAPITAL COSTS	\$ 50,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 210,000
REVENUE:						
Service Rates (All Fund)	\$ 50,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 210,000
TOTAL REVENUE	\$ 50,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 210,000

Capital Costs Beyond 2027: SCADA System improvements will continue on an ongoing basis, as necessary.

PUD No. 1 of Whatcom County
2023 Capital Improvement Budget (CIP)

INTERNAL SERVICE FUND - 500

CIP PROJECT NUMBER: IS-14

PROJECT NAME: Office Equipment and Computer HW & SW Replace

STATUS: On-Going

PROJECT LOCATION: Main Office - 1705 Trigg Road

PRIORITY: Medium

ESTIMATED START DATE: On-going

ESTIMATED COMPLETION DATE: On-going

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

Purchase new computer equipment as needed for replacement units as well as for new staff members. These units would typically include the desk or laptop unit, monitor, keyboard, mouse, docking station and MS Office software package. The replacement units would only consist of the laptop unit and software package as required for the operating system compatibility. Certain systems require additional capacity or processing capability for applications such as accounting or AutoCAD software.

Current Budget Projected Activities

As with prior years, the District will continue to replace computer equipment as needed and upgrade operating systems and software as necessary. Cyber security enhancements, both software and hardware will continue to be a high priority. As cyber security vulnerabilities are identified, this may impact what software and hardware purchases might be required and when.

Project Budget Estimate

Computer Equipment	\$ 145,000
Contingency & Unexpected Failures	11,000
Consultants	5,000
Budget Estimate Total:	\$ 161,000

PROJECT JUSTIFICATION/BENEFITS:

Servers, server related equipment, back-up storage systems, and multi-function copiers are essential IT equipment that require periodic replacement. IT equipment is continually updated by manufacturers, thereby rendered the District's then current units obsolete. As cyber security vulnerabilities are identified, this may impact rate of replacements and upgrades.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 32,000	\$ 25,000	\$ 27,000	\$ 7,000	\$ 70,000	\$ 161,000
TOTAL CAPITAL COSTS	\$ 32,000	\$ 25,000	\$ 27,000	\$ 7,000	\$ 70,000	\$ 161,000
REVENUE:						
Service Rates (All Fund)	\$ 32,000	\$ 25,000	\$ 27,000	\$ 7,000	\$ 70,000	\$ 161,000
TOTAL REVENUE	\$ 32,000	\$ 25,000	\$ 27,000	\$ 7,000	\$ 70,000	\$ 161,000

Capital Costs Beyond 2027: IT equipment will continue to be replaced in scheduled cycles.

PUD No. 1 of Whatcom County
2023 Capital Improvement Budget (CIP)

INTERNAL SERVICE FUND - 500

CIP PROJECT NUMBER: IS-15

PROJECT NAME: Communications Backbone System Build-out and Upgrade

PROJECT LOCATION: District Facilities

STATUS: On-going **PRIORITY:** High

ESTIMATED START DATE: 2016 **ESTIMATED COMPLETION DATE:** 2025

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

During 2017, the District successfully completed a major expansion of the fiber optic cable backbone communications system by installing aerial and underground fiber optic cable to link both Plant 1 and the Grandview potable plant to the high speed communications system. In 2018, the District identified three additional extensions to the fiber optic cable communication network. During 2018, the District completed a fiber optic cable extension from the Refinery substation to the Douglas Road vault. Engineering design work for the other two has been completed. In 2019, the District completed another extension of fiber optic cable from the Grandview area to a connection point with BPA's communications system. During 2022, a planned fiber optic cable extension from the Douglas Road vault to the vicinity of the Intalco Aluminum plant was not completed due to permitting delays.

Current Budget Projected Activities

During 2023, the District plans to further expand the fiber optic cable backbone communications system within the Cherry Point Industrial area. The improvements will facilitate higher speed communications and deployment of SCADA, benefitting both electric and water system operations.

Project Budget Estimate

Fiber Optic Cable Communications Backbone Build-out and Improvements	1,500,000
Budget Estimate Total:	\$ 1,500,000

PROJECT JUSTIFICATION/BENEFITS:

Opportunities to improve reliability and enhance capabilities of the District's communications system will continually be investigated. This includes telemetry upgrades involving the District's communications tower and other sites. Additional deployment of fiber optic cable as part of the District's backbone communications system will be continually investigated and implemented where feasible. A communications system that includes both fiber and radio communications provides redundancy and enhancing the capability of the District's SCADA system to monitor and in some cases control utility devices in the field. Security of the communications system will be a high priority and incorporated into the design. The District will consider utilizing our fiber system to connect other customers if the security of the District would not be compromised.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 1,500,000
TOTAL CAPITAL COSTS	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 1,500,000
REVENUE:						
Service Rates (All Fund)	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 1,500,000
TOTAL REVENUE	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 1,500,000

Capital Costs Beyond 2027: TBD - Communications System will be evaluated on a continuous annual basis.

PUD No. 1 of Whatcom County
2023 Capital Improvement Budget (CIP)

INDUSTRIAL WATER UTILITY - 403 (Cherry Point Industrial, Wholesale / Municipal, Irrigation)

CIP PROJECT NUMBER: RW-14

PROJECT NAME: Water Utility Vehicles

PROJECT LOCATION: District Water Service Area

STATUS: On-going

PRIORITY: Medium

ESTIMATED START DATE: On-going

ESTIMATED COMPLETION DATE: On-going

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

In 2019, the District purchased one mid-sized Colorado pick-up through the Washington State bid purchase program. It replaced a mid-sized Ranger pick-up, which was then sold through public auction. In 2022, the District did not purchase a vehicle for water operations.

Current Budget Projected Activities

In 2023, the District plans on purchasing a new pick-up and a boat for accessing facilities during flood conditions. One of the existing fleet of pick-ups will be surplus.

Project Budget Estimate

Replace Full Size 4-wheel Drive Extended Cab Pick-up	\$ 45,000
Signage, Accessories & Safety Equipment	10,000
	\$ 55,000
 Replace Chevrolet Colorado Pick-up	 \$ 38,000
Signage, Accessories & Safety Equipment	8,000
	\$ 46,000
 Purchase boat	 \$ 55,000
Signage, Accessories & Safety Equipment	5,000
	\$ 60,000

Year	Description	Planned Replacement	Estimated Cost
2011	Ford F250	2023	\$ 55,000
2015	Ford F250	2025	55,000
2017	Ford F250	2027	55,000
2018	Chevrolet Colorado	2028	46,000
2019	Chevrolet Colorado	2029	46,000

PROJECT JUSTIFICATION/BENEFITS:

The District has a total of five vehicles assigned to water operations and two vehicles assigned to electric operations. The District has implemented a program to budget for and schedule regular replacement of the District vehicles. Actual replacement of individual vehicles will be completed based on age and condition of vehicles not based on the scheduled date. Unless circumstances require replacement, no vehicle will be replaced sooner than five years after purchase. When possible, the District will utilize the Washington State purchase program for acquiring vehicles.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 115,000	\$ -	\$ 55,000	\$ -	\$ 55,000	\$ 225,000
TOTAL CAPITAL COSTS	\$ 115,000	\$ -	\$ 55,000	\$ -	\$ 55,000	\$ 225,000
REVENUE:						
Water System Rates	\$ 115,000	\$ -	\$ 55,000	\$ -	\$ 55,000	\$ 225,000
TOTAL REVENUE	\$ 115,000	\$ -	\$ 55,000	\$ -	\$ 55,000	\$ 225,000

Capital Costs Beyond 2027: Replacement of vehicles will be based upon accumulated mileage and condition.

PUD No. 1 of Whatcom County 2023 Capital Improvement Budget (CIP)

INDUSTRIAL WATER UTILITY - 403 (Cherry Point Industrial, Wholesale / Municipal, Irrigation)

CIP PROJECT NUMBER: RW-22

PROJECT NAME: Install Main Line Valves on Water Distribution System

STATUS: On-going

PROJECT LOCATION: Distribution System **PRIORITY:** Medium

ESTIMATED START DATE: 2013 **ESTIMATED COMPLETION DATE:** On-going

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

For 2019, staff determined that it was prudent to wait on the installation of any new isolation valves for the industrial water system distribution system until such time as the industrial water system CIP Plan Update was completed. During 2020, the CIP Update Plan was completed, as was an analysis to determine industrial water system CIP priorities, timelines, and cost estimates. In 2022, no in-line valves were engineered or installed.

Current Budget Projected Activities

For 2023, the District will proceed with engineering for new isolation valves on its main water transmission line. The installation of these valves will help make service more reliable and will allow for the District shut off of water flows to specific locations in case of leaks or for maintenance reasons. Construction will follow in 2024. The District's engineering consultant, as part of the RW-38 activities will initiate a hydraulic analysis of industrial water distribution system CIPs, including additional mainline isolation valves.

Project Budget Estimate

Isolation Valve Installation	
Engineering Analysis, Design & Construction Services	\$ 900,000
Budget Estimate Total:	\$ 900,000

PROJECT JUSTIFICATION/BENEFITS:

Isolation valves allow repair, maintenance, and improvement work to occur on "isolated" sections of industrial water supply mains, including the intertie, while maintaining service to customers. Isolation valves will reduce risk of a catastrophic failure of a pipe section resulting in a very large amount of water flowing out of the damaged section prior to stopping flow. Also, depending on location of the valves, it eliminates the need to drain long sections of water distribution line prior to commencing work. The valves shorten or eliminate disruptions of water supply to the industrial water system customers.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 100,000	\$ 350,000	\$ 450,000	\$ -	\$ -	\$ 900,000
TOTAL CAPITAL COSTS	\$ 100,000	\$ 350,000	\$ 450,000	\$ -	\$ -	\$ 900,000
REVENUE:						
Water System Rates	100,000	350,000	450,000	-	-	\$ 900,000
TOTAL REVENUE	\$ 100,000	\$ 350,000	\$ 450,000	\$ -	\$ -	\$ 900,000

Capital Costs Beyond 2027: To Be Determined

PUD No. 1 of Whatcom County

2023 Capital Improvement Budget (CIP)

INDUSTRIAL WATER UTILITY - 403 (Cherry Point Industrial, Wholesale / Municipal, Irrigation)

CIP PROJECT NUMBER: RW-27

PROJECT NAME: Water Utility Major Non-Vehicle Equipment

STATUS: On-going

PROJECT LOCATION: District Facilities

PRIORITY: Medium

ESTIMATED START DATE: On-going

ESTIMATED COMPLETION DATE: On-going

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

RW-27 covers capital investments in equipment other than on-road vehicles for use by water system operations staff.

Current Budget Projected Activities

In 2023, the District has no specific equipment purchases, but would like to budget for the possibility of needed equipment. Going forward, the District will continue to evaluate its needs relative to its water utility operations.

Project Budget Estimate

Equipment	\$ 10,000
-----------	-----------

Budget Estimate Total: \$ 10,000

PROJECT JUSTIFICATION/BENEFITS:

The District is continually looking for equipment to purchase which will make service to it's customers more accurate and efficient.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 50,000
TOTAL CAPITAL COSTS	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 50,000
REVENUE:						
Water System Rates	10,000	10,000	10,000	10,000	10,000	50,000
TOTAL REVENUE	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 50,000

Capital Costs Beyond 2027: To Be Determined.

PUD No. 1 of Whatcom County 2023 Capital Improvement Budget (CIP)

INDUSTRIAL WATER UTILITY - 403 (Cherry Point Industrial, Wholesale / Municipal, Irrigation)

CIP PROJECT NUMBER: RW-28

PROJECT NAME: Water Treatment Plant 1 Projects

STATUS: On-going

PROJECT LOCATION: District Facilities

PRIORITY: Medium

ESTIMATED START DATE: On-going

ESTIMATED COMPLETION DATE: On-going

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

In 2019, the District's engineering consultant, RH2, completed an update to the District's Industrial Water System Comprehensive CIP Plan. The Plan, which was originated in 2010, identifies capital improvements for industrial water system facilities, including Water Treatment Plants 1&2 and the distribution piping running to Cherry Point. Going forward, the District will prioritize and proceed with certain capital improvements identified in the Plan. Upgrades to Water Treatment Plant No.1 is a high priority, given the age and condition of the Plant facilities. During 2020, the final paddle wheel floc was replaced with a new vertical blade floc. Also, the District initiated the design and permitting for a new compressor system to increase capacity for the air burst system for the intake facility screens. In 2021, the District installed compressor system located in the Plant 1 control building. Electrical improvements will also be undertaken to support the new compressor system. It is anticipated that engineering design for a rebuild of Water Treatment Plant 1 facilities, including a campus plan, will be initiated. This work including future construction of facilities will be covered under a new CIP, RW-38. During 2022, initiated design of the upgrade of the Plant 1, based on a campus plan selected by District staff.

Current Budget Projected Activities

In 2023, the District will continue working with its water system engineering firm, Consor North America, on the design of the Water Treatment Plant No.1 upgrade project. Staff will continue to monitor the existing Plant 1 for maintenance issues that must be addressed to maintain reliable operations or which present safety concerns. Projects identified will be budgeted and implemented, as Plant 1 must continue operations until the new facilities are constructed.

Project Budget Estimate

2023-2027 Design, Engineer and Construction of on-going repairs at Water Treatment Plant 1 \$ 25,000

Budget Estimate Total: \$ 25,000

PROJECT JUSTIFICATION/BENEFITS:

Improvements at Water Treatment Plant 1 are necessary to maintain reliability of plant operations and to assure a safe working environment for the District's employees. These CIPs help assure and improve service reliability for meeting the water demands of the District's industrial water customers.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 125,000
TOTAL CAPITAL COSTS	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 125,000
REVENUE:						
Water System Rates	25,000	25,000	25,000	25,000	25,000	125,000
TOTAL REVENUE	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 125,000

Capital Costs Beyond 2027: To Be Determined.

PUD No. 1 of Whatcom County 2023 Capital Improvement Budget (CIP)

INDUSTRIAL WATER UTILITY - 403 (Cherry Point Industrial, Wholesale / Municipal, Irrigation)

CIP PROJECT NUMBER: RW-33

PROJECT NAME: Petrogas Meter Relocate & SCADA Installation

PROJECT LOCATION: Distribution System (Douglas Road)

STATUS: New **PRIORITY:** Medium

ESTIMATED START DATE: 2017 **ESTIMATED COMPLETION DATE:** 2023

PROJECT DESCRIPTION/SCOPE:

Past Years Budget Activities

The industrial water line serving the Petrogas facility is a 14" line, owned by Petrogas, which connects to the District 24" water main in the vicinity of the Intalco industrial water supply point of delivery. The District's point of metering is located at the Petrogas end of the 14" line, inside the fence at the facility. There is no telemetry at the meter point and therefore water flows can't be monitored real time via the District's SCADA system. The project would involve the construction of a new vault to contain a new water meter, valves and telemetry. The vault would be located near the point at which the 14" Petrogas line is connected to the District's 24" line. Engineering analysis and design of the project was not initiated in 2019, 2020, or 2021. There have been ongoing discussions with staff at the facility regarding future water facilities improvements and where water might be delivered to Petrogas.

Current Budget Projected Activities

The District plans to proceed with engineering analysis and design for this proposed project in 2023 in coordination with industrial water customers that might be impacted by the project. The project plan will require close coordination with these customers and include phased construction that minimizes water service interruptions. Depending on customer input, the project might proceed to bid and construction in 2023.

Project Budget Estimate

Engineering Analysis, Design & Construction Services	\$ 34,000
Materials Procurement and Construction (Competitive Bid Project)	238,000
Budget Estimate Total:	\$ 272,000

PROJECT JUSTIFICATION/BENEFITS:

This project, when completed, will assure reliable delivery of water to the connected customer. It will improve the accuracy of the recorded water delivery amounts. The ability to monitor water flows at this point of delivery will help assure the efficiency of water use via the ability to help detect potential leaks on the customer's owned pipeline downstream of the metering point. In accordance with the terms of the customer's industrial water contract, the customer is obligated to reimburse the District for the full cost of the project, as it involves only the customer's point of delivery.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 272,000	\$ -	\$ -	\$ -	\$ -	\$ 272,000
TOTAL CAPITAL COSTS	\$ 272,000	\$ -	\$ -	\$ -	\$ -	\$ 272,000
REVENUE:						
Customer Reimbursement	\$ 272,000	\$ -	\$ -	\$ -	\$ -	\$ 272,000
TOTAL REVENUE	\$ 272,000	\$ -	\$ -	\$ -	\$ -	\$ 272,000

Capital Costs Beyond 2027: None

PUD No. 1 of Whatcom County
2023 Capital Improvement Budget (CIP)

INDUSTRIAL WATER UTILITY - 403 (Cherry Point Industrial, Wholesale / Municipal, Irrigation)

CIP PROJECT NUMBER: RW-34

PROJECT NAME: PSE-Whitehorn Meter Relocate

PROJECT LOCATION: Distribution System

STATUS: On-going **PRIORITY:** Medium

ESTIMATED START DATE: 2017 **ESTIMATED COMPLETION DATE:** 2023

PROJECT DESCRIPTION/SCOPE:

Past Years Budget Activities

The industrial water line serving PSE's Whitehorn generating plant is a 10" line, owned by PSE, which connects to the District 24" water main in the vicinity of D Station off of Aldergrove Road.. The District's point of metering is located at the end of the 10" line in a vault outside of the PSE facility. There is no telemetry at the meter point and therefore water flows can't be monitored via the District's SCADA system. The project would involve the construction of a new vault to contain a new water meter, valve and telemetry. During 2018, the District's water systems engineering consultant completed two feasibility studies with order of magnitude cost estimates. One design alternative locates the new vault inside the fence at D Station. The other locates the new vault alongside Aldergrove Road near D Station. During 2019, the District elected not to proceed with the project until after further evaluation. The estimated project cost was among the factors delaying the project. During 2022, the District re-evaluated the two design alternatives and elected to focus on locating the new facilities inside the fence at D Station. Some exploratory work was done to better define the project.

Current Budget Projected Activities

In 2023 in coordination with the District's customer, PSE, the District plans to complete the final design of this project. With PSE's support, the District also plans to proceed with permitting and construction of the project.

Project Budget Estimates

Engineering Analysis, Design & Construction Services	\$	33,000
Materials Procurement and Construction (Competitive Bid Project)		247,000
Budget Estimate Total:	\$	280,000

PROJECT JUSTIFICATION/BENEFITS:

This project, when completed, will assure reliable delivery of water to the connected customer. It will improve the accuracy of the recorded water delivery amounts. The ability to monitor water flows at this point of delivery will help assure efficient water use via the ability to help detect potential leaks on the customer owned pipeline downstream of the metering point. In accordance with the terms of the customer's industrial water contract, the customer is obligated to reimburse the District for the full cost of the project, as it involves only the customer's point of delivery.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 280,000	\$ -	\$ -	\$ -	\$ -	\$ 280,000
TOTAL CAPITAL COSTS	\$ 280,000	\$ -	\$ -	\$ -	\$ -	\$ 280,000
REVENUE:						
Customer Reimbursement	\$ 280,000	\$ -	\$ -	\$ -	\$ -	\$ 280,000
TOTAL REVENUE	\$ 280,000	\$ -	\$ -	\$ -	\$ -	\$ 280,000

Capital Costs Beyond 2027: None

PUD No. 1 of Whatcom County 2023 Capital Improvement Budget (CIP)

INDUSTRIAL WATER UTILITY - 403 (Cherry Point Industrial, Wholesale / Municipal, Irrigation)

CIP PROJECT NUMBER: RW-35

PROJECT NAME: Water Treatment Plant 1& 2-VFDs for Pump Motors

PROJECT LOCATION: Water Treatment Plants

STATUS: Existing **PRIORITY:** Medium

ESTIMATED START DATE: 2017 **ESTIMATED COMPLETION DATE:** 2023

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

In 2017, the District initiated an effort to install new VFD drives on intake pump motors at Water Treatment Plants 1 and 2. The objective has been to increase operational flexibility and capability to adjust pumping capacity and water flows in response to variable customer water demands. The District has completed it's installation of Intake VFD's as planned. The District has expanded its efforts to include, where appropriate, VFDs for the large high head motor/pump assemblies at Plant 1. During 2020, engineering design work was initiated for a new VFD installation to be associated with high head pump 5. In 2022, the District had plans to purchase and install a new VFD for control of high head motor/pump assembly 5 at Plant 1. However, this project was not implemented.

Current Budget Projected Activities

In 2023, the District plans to install the new VFD for control of high head motor/pump assembly 5 at Water Treatment Plant 1.

Project Budget Estimate

One VFD Drive and Installation for High Head Pump No.5 Water Treatment Plant No.1 \$ 650,000

Budget Estimate Total: \$ 650,000

PROJECT JUSTIFICATION/BENEFITS:

The new VFDs facilitate greater operational flexibility, improve reliability, improve pump efficiency, and take up significantly less space.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 650,000	\$ -	\$ -	\$ -	\$ -	\$ 650,000
TOTAL CAPITAL COSTS	\$ 650,000	\$ -	\$ -	\$ -	\$ -	\$ 650,000
REVENUE:						
Water Service Rates	\$ 650,000	\$ -	\$ -	\$ -	\$ -	\$ 650,000
TOTAL REVENUE	\$ 650,000	\$ -	\$ -	\$ -	\$ -	\$ 650,000

Capital Costs Beyond 2027: To Be Determined.

PUD No. 1 of Whatcom County
2023 Capital Improvement Budget (CIP)

INDUSTRIAL WATER UTILITY - 403 (Cherry Point Industrial, Wholesale / Municipal, Irrigation)

CIP PROJECT NUMBER: RW-38

PROJECT NAME: Water Treatment Plant 1 Rebuild

PROJECT LOCATION: Water Treatment Plant 1

STATUS: Existing **PRIORITY:** High

ESTIMATED START DATE: 2021 **ESTIMATED COMPLETION DATE:** 2027

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

Water Treatment Plant 1 was constructed in 1965 for the purpose of providing industrial water to the new Intalco Aluminum Smelter and later P66 was added as a customer. For several years, the District has initiated improvement projects to maintain reliability of water service out of the Plant. These capital projects have been tracked under CIP RW-28. Plant 1 has reached the end of its useful life. A rebuild of Plant 1 is planned and the capital project will be tracked under this RW-38. During 2022, the District in consultation with its water system engineer, Concur North America, selected a campus plan for Plant 1 and Concur initiated design of the elements.

Current Budget Projected Activities

In 2023, the District will continue working with Concur on the design for the Water Treatment Plant 1 Upgrade. It is anticipated that the final design for Phase 1 of the project, the utilidor under Ferndale Road will be completed. Phase 1 may also include design and construction involving a re-locating of a portion of Plant 1's 24" distribution main. Also permitting activities for the project will begin ramping up. Construction of Phase 1 of the project is expected to start during 2024.

Project Budget Estimate

Engineering and construction costs	\$ 68,400,000
Budget Estimate Total:	\$ 68,400,000

PROJECT JUSTIFICATION/BENEFITS:

Reliable and continuous operation of Water Treatment Plants 1 and 2 is essential to meeting the industrial water demands of the District's customers within the Cherry Point Heavy Industry area. Each plant must have the capability and reliability to provide continuous service to Cherry Point industries. Each plant must be available to back-up the other plant, when one of the plants is out of service on either a planned or un-planned basis.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 900,000	\$ 7,500,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 68,400,000
TOTAL CAPITAL COSTS	\$ 900,000	\$ 7,500,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 68,400,000
REVENUE:						
Water Service Rates	\$ 900,000	\$ 7,500,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 68,400,000
TOTAL REVENUE	\$ 900,000	\$ 7,500,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 68,400,000

Capital Costs Beyond 2027: TBD

PUD No. 1 of Whatcom County 2023 Capital Improvement Budget (CIP)

INDUSTRIAL WATER UTILITY - 403 (Cherry Point Industrial, Wholesale / Municipal, Irrigation)

CIP PROJECT NUMBER: RW-41

PROJECT NAME: Cathodic Protection

PROJECT LOCATION: Water Distribution System

STATUS: New **PRIORITY:** Medium

ESTIMATED START DATE: 2025 **ESTIMATED COMPLETION DATE:** 2030

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

The industrial water system comprehensive capital improvements plan originally completed in 2010 and updated in 2019, identified cathodic protection for the industrial water system's distribution mains as one of the applicable improvements. Since 2010, exposure of the buried mains associated with various projects revealed the mains to be relatively free of corrosion. No cathodic improvements have been implemented.

Current Budget Projected Activities

In 2026, the District's engineering consultant will conduct hydraulic analyses of various water system distribution main capital improvement projects identified in the industrial water system comprehensive plan. These analyses will help determine which new mains and valves will be constructed in future years. As new piping is placed, cathodic protection will be added. In later years, cathodic protection of the remaining older lines will be re-visited. To-date, exposure of sections of the original distribution mains has revealed to staff that there are no significant corrosion issues.

Project Budget Estimate

Engineering and construction costs	\$ 50,000
Budget Estimate Total:	\$ 50,000

PROJECT JUSTIFICATION/BENEFITS:

The industrial water system mains with the exception of the intertie line are reinforced concrete cylinder pipe (RCCP). This type of pipe includes exterior spiral steel reinforcing cabling and metal bands at joints to provide structural integrity and accommodate high pressure water passage. Corrosion control through cathodic protection helps assure pipe integrity and reliability of water service.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ -	\$ -	\$ -	\$ 50,000	\$ -	\$ 50,000
TOTAL CAPITAL COSTS	\$ -	\$ -	\$ -	\$ 50,000	\$ -	\$ 50,000
REVENUE:						
Water Service Rates	\$ -	\$ -	\$ -	\$ 50,000	\$ -	\$ 50,000
TOTAL REVENUE	\$ -	\$ -	\$ -	\$ 50,000	\$ -	\$ 50,000

Capital Costs Beyond 2027: TBD

PUD No. 1 of Whatcom County
2023 Capital Improvement Budget (CIP)

INDUSTRIAL WATER UTILITY - 403 (Cherry Point Industrial, Wholesale / Municipal, Irrigation)

CIP PROJECT NUMBER: RW-45

PROJECT NAME: Replace Hydrant Valves

PROJECT LOCATION: Douglas Road

STATUS: New **PRIORITY:** Medium

ESTIMATED START DATE: 2023 **ESTIMATED COMPLETION DATE:** TBD

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

This is a new CIP effort to be initiated in 2023. There are various taps with lateral lines connected to the 24" water mains running generally east to west along Douglas and Aldergrove Roads. The majority of these taps and lateral lines were constructed during or near the time the original main lines were constructed in the 1960's and 70's. Because of their age and type of construction, these taps represent potential weak points in the 24" mains, which if a pipe or valve failed could result in a major water leak.

Current Budget Projected Activities

Starting in 2023, the District will plan each succeeding year to upgrade water facilities associated with each tap, one tap at a time. Among the facilities to be replaced are hydrants, shut off valves, lateral piping, and other appurtenances needing replacement to prevent unexpected failures. The District's plan is to proceed east to west along Douglas Road first.

Project Budget Estimate

Engineering and construction costs per year	\$ 150,000
Budget Estimate Total:	\$ 150,000

PROJECT JUSTIFICATION/BENEFITS:

This project will replace equipment that has performed more than five decades of service. Planned, intentional maintenance will mitigate the potential failure and associated losses with catastrophic failure. This will be an ongoing industrial water supply reliability maintenance effort.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 750,000
TOTAL CAPITAL COSTS	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 750,000
REVENUE:						
Water Service Rates	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 750,000
TOTAL REVENUE	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 750,000

Capital Costs Beyond 2027: TBD

PUD No. 1 of Whatcom County

2023 Capital Improvement Budget (CIP)

GRANDVIEW WATER UTILITY - 411 (Potable and Fire)

CIP PROJECT NUMBER: GVP-3

PROJECT NAME: Grandview Potable System Improvements

PROJECT LOCATION: Northgate Potable Plant

STATUS: New **PRIORITY:** Medium

ESTIMATED START DATE: On-going **ESTIMATED COMPLETION DATE:** On-going

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

During 2017, the District completed a backbone communications system project (CIP IS-15), which included the extension of fiber optic communications cable to the Northgate potable plant. This fiber optic cable deployment has enabled this follow-on project. In 2018, the District retained a contractor to set-up the potable plant for a standby generator. In 2019, the standby generator set-up was completed and a portable generator purchased. A PLC was purchased for use at the potable plant and during 2021 staff has been working on the connection to the Wonderware system. In 2021 the District installed two flushing ports on the system that will improve flushing the system when necessary to prevent stagnant water from accumulating.

Current Budget Projected Activities

In 2023, the District plans to proceed with the installation of equipment necessary to integrate the Northgate potable plant into the District's SCADA system network. This will enable staff to remotely monitor and control certain potable water system operations within the potable plant building. Also, the District in consultation with its water system engineering consultant will develop a comprehensive plan for future improvements to the Grandview potable water system.

Project Budget Estimate

Water system Improvements identified by Capital Improvement plan \$ 100,000

Budget Estimate Total: \$ 100,000

PROJECT JUSTIFICATION/BENEFITS:

Integrating the Grandview potable water system into the District's SCADA system will enable staff to remotely monitor potable plant conditions and better manage the system. Also, it will enable staff to quickly respond to un-planned events when they occur. Potable water system improvements will be undertaken as necessary to assure reliable acquisition, treatment, and delivery of potable water for use by customers of the Grandview water system.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ -	\$ 100,000
TOTAL CAPITAL COSTS	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ -	\$ 100,000
REVENUE:						
Water Service Rates	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ -	\$ 100,000
TOTAL REVENUE	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ -	\$ 100,000

Capital Costs Beyond 2027: TBD

PUD No. 1 of Whatcom County
2023 Capital Improvement Budget (CIP)

GRANDVIEW WATER UTILITY - 411 (Potable and Fire)

CIP PROJECT NUMBER: GVP-4

PROJECT NAME: Grandview Potable Plant Land Acquisition

PROJECT LOCATION: Northgate Potable Plant

STATUS: New **PRIORITY:** High

ESTIMATED START DATE: 2023 **ESTIMATED COMPLETION DATE:** 2024

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

A new capital project.

Current Budget Projected Activities

In 2023, the District plans to pursue acquisition of the property on which the potable plant facilities reside. Such area must be acquired to include the well water protection zone.

Project Budget Estimate

Land Purchase \$ 75,000

Budget Estimate Total: \$ 75,000

PROJECT JUSTIFICATION/BENEFITS:

The District's potable water plant (well, pumps, treatment equipment, and storage tank) is located on property owned by the original developer of the Northgate portion of the Grandview Water System. The District accesses, and uses the property via an underlying perpetual easement. As one outcome of DOH approval of the updated Comprehensive Water System Plan for the Grandview Water System, the District must develop a management plan for the potable water system that includes security and protection of the potable water plant. The District believes one essential element of this plan is to control the property on which the potable facilities reside.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 75,000					\$ 75,000
TOTAL CAPITAL COSTS	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000
REVENUE:						
Water Service Rates	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000
TOTAL REVENUE	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000

Capital Costs Beyond 2027: TBD

PUD No. 1 of Whatcom County
2023 Capital Improvement Budget (CIP)

GRANDVIEW WATER UTILITY - 411 (Potable and Fire)

CIP PROJECT NUMBER: GVP-5

PROJECT NAME: Grandview Crossing at 2439 Grandview Rd

PROJECT LOCATION: 2439 Grandview Rd

STATUS: On-going **PRIORITY:** Medium

ESTIMATED START DATE: 2023 **ESTIMATED COMPLETION DATE:** 2023

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

In 2021, the District completed an extension of both the potable water supply and fire flow lines for the Grandview Water System under Grandview Road from the north to the south side. Grandview Road is a State highway, therefore WSDOT was heavily involved in the design review and permitting process. During late 2021 and 2022, it was noted that there was some minor settling of the roadway in the vicinity of the water pipelines crossing. WSDOT has been in discussions with District staff regarding potential options to resolve the settling.

Current Budget Projected Activities

In 2023, depending on the outcome of discussions between the District and WSDOT, the District anticipates implementing a project to address the settling, if still needed. The range of options could range from a relatively small pavement cut, fill, compaction and re-paving of Grandview Road to a major excavation and re-do. The dollar amount listed for 2023 is a conservative worse case scenario.

Project Budget Estimate

Repair to Crossing \$ 250,000

Budget Estimate Total: \$ 250,000

PROJECT JUSTIFICATION/BENEFITS:

The purpose was to position the District to pick up new water customers along the south side of the road.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 250,000					\$ 250,000
TOTAL CAPITAL COSTS	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000
REVENUE:						
Water Service Rates	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000
TOTAL REVENUE	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000

Capital Costs Beyond 2027: TBD

PUD No. 1 of Whatcom County 2023 Capital Improvement Budget (CIP)

GRANDVIEW WATER UTILITY - 411 (Potable and Fire)

CIP PROJECT NUMBER: GVP-6

PROJECT NAME: Grandview Line Extension

PROJECT LOCATION: Grandview Rd, South side, east of I5 (2055 Grandview Rd)

STATUS: On-going **PRIORITY:** Medium

ESTIMATED START DATE: 2023 **ESTIMATED COMPLETION DATE:** 2023

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

A portion of the properties located along the southern side of Grandview Road, east of I-5 were included in the District's LUD established several years ago to fund the expansion of the Grandview Water System, both west along Portal Way and under I-5 to the east. Owners of these properties did not have a need for an actual connection to the water and fire lines at that time. Therefore, the District only extended the lines to the south side of Grandview Road and terminated them. The lines were not extended along Grandview to the east and terminated at the outside perimeter of the LUD service area. A recent request for service in the area has prompted the District to plan for the extension of the lines.

Current Budget Projected Activities

In 2023, the District plans to initiate design and permitting activities for the line extension project. Should the water service request by the potential new customer be formalized via a Letter Agreement with the customer, then the District will proceed with construction of the line extensions from the current location east on Grandview Road.

Project Budget Estimate

Water Line Extension \$ 100,000

Budget Estimate Total: \$ 100,000

PROJECT JUSTIFICATION/BENEFITS:

The properties along this portion of Grandview Road are within the LUD expansion service area and are being assessed for the recovery of the District's investment in the expansion. Therefore, the District is obligated to provide potable water supply and fire flow lines along the properties' road frontages. The actual cost of connecting the District's facilities to the customer's service lines is borne by the customer as outlined in a District/Customer Letter Agreement. The benefit of extending the facilities is to provide expanded water service within the Grandview area and secure additional customer revenues to offset the ongoing cost of operations and maintenance of the Grandview Water System to the benefit of all customers.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 100,000					\$ 100,000
TOTAL CAPITAL COSTS	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
REVENUE:						
Water Service Rates	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
TOTAL REVENUE	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000

Capital Costs Beyond 2027: TBD

PUD No. 1 of Whatcom County **2023 Capital Improvement Budget (CIP)**

ELECTRIC UTILITY - 481

CIP PROJECT NUMBER: E-6
PROJECT NAME: 115 kV Transmission Line Improvements
STATUS: Existing
PROJECT LOCATION: Various Locations Along the 115 kV Transmission Line **PRIORITY:** High
ESTIMATED START DATE: On-going **ESTIMATED COMPLETION DATE:** On-going
PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

The District has established a transmission structure replacement schedule with the objective to systematically replace all structures installed prior to 2000. Each year a grouping of structures will be replaced with priority given to those structures that are in the poorest condition or that have another strategic reason for replacement. In addition, the 115 kV conductors will be evaluated and replaced in sections, as necessary, based on condition and feasibility. (i.e. section over I-5). As part of the replacement plan, the District annually field inspects all 115 kV transmission structures within its electric system. The number of structures or structural components may be increased or decreased depending upon the results of the annual inspections. Electric system regulatory requirements may require additional data collection and analysis in the future. During 2022, the District moved into a maintenance and monitoring mode with regard to transmission structures.

Current Budget Projected Activities

In 2023 and the following years, the high voltage (115 kV) electrical conductors will be evaluated not only for condition, but also the capacity to carry anticipated power flows. Ongoing continuous monitoring of the condition of the District's 115 kV system will help assure a high level of electric service reliability.

Project Budget Estimate

Engineering, Material Acquisition & Construction Work \$ 250,000

Budget Estimate Total: \$ 250,000

PROJECT JUSTIFICATION/BENEFITS:

The work planned and completed under CIP E-6 has been for the purpose of assuring reliable and safe electric power delivery over the District's electric system facilities for use by the District's customers and the District's water plants. The District will continue to monitor, maintain, and upgrade its transmission structures and high voltage electric conductors to assure reliability and adequate capacity to meet electric demands on its system. Also, the District will take such actions and implement projects, as necessary, to assure compliance with applicable regulatory requirements (i.e. WECC, NERC, and FERC).

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 250,000
TOTAL CAPITAL COSTS	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 250,000
REVENUE:						
Electric Service Rates	\$ 48,750	\$ 48,750	\$ 48,750	\$ 48,750	\$ 48,750	\$ 243,750
Water System Rates	1,250	1,250	1,250	1,250	1,250	6,250
TOTAL REVENUE	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 250,000

Capital Costs Beyond 2027: 30-40 year replacement cycles, based on depreciation and wear

PUD No. 1 of Whatcom County
2023 Capital Improvement Budget (CIP)

ELECTRIC UTILITY - 481

CIP PROJECT NUMBER: E-15

PROJECT NAME: Electric Utility Vehicles

PROJECT LOCATION: District Electric Service Area

STATUS: Existing

PRIORITY: Medium

ESTIMATED START DATE: On-going

ESTIMATED COMPLETION DATE: On-going

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

In 2019, the District purchased through the Washington State purchasing process, a new full sized Dodge Ram pick-up for use by electric utility operations staff. The District planned to purchase another full sized pick-up and a used insulated bucket truck during 2022. However, neither purchase occurred. Identifying and procuring a used bucket truck via an auction proved to be a challenge.

Current Budget Projected Activities

In 2023, the District again plans to purchase a full sized pick-up and used insulated bucket utility truck. The District will utilize reliable public auction sites to identify used vehicles that meet the District's criteria and then participate in scheduled competitive bids to acquire the vehicle. Also, one of the full sized pick-ups will be surplus and replaced, using the State of Washington Enterprise purchases system for acquiring the vehicle. A hybrid or all electric vehicle will be considered, if available.

Project Budget Estimate

Used insulated bucket truck	\$ 70,000
Signage, Accessories & Safety Equipment	10,000
	\$ 80,000
 F-250 Extended Cab 4 -Wheel Electric Utility Pick-up or comparable pick-up	 \$ 39,000
Signage, Accessories & Safety Equipment	8,000
Budget Estimate Total:	\$ 47,000

Year	Description	Planned Replacement	Estimated Cost
2016	Ford F250	2026	\$ 47,000
2019	Ford F250	2029	47,000
2023	Ford F250	2033	47,000

PROJECT JUSTIFICATION/BENEFITS:

Currently, the District has no utility bucket truck. When one is required to access and maintain District electric facilities, the District must seek one from a rental company. Such vehicles are not readily available. This creates un-certainty with regard to scheduling work. In emergency situations, the District must rely on third parties to provide a bucket truck, if they have one available at the time of the emergency. Electric utility's staff use of the vehicle would be for such facilities as substations, aerial fiber optic cabling, light poles, and other elevated facilities. The bucket truck would not be utilized for work on the District's 115 kV transmission structures and lines. This work would continue to be provided by third party entities with high voltage qualified line crews. The utility trucks are on a replacement schedule depending on mileage and wear. Electric or hybrid vehicles will be considered.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 127,000	\$ -	\$ -	\$ 47,000	\$ -	\$ 174,000
TOTAL CAPITAL COSTS	\$ 127,000	\$ -	\$ -	\$ 47,000	\$ -	\$ 174,000
REVENUE:						
Electric Service Rates	\$ 127,000	\$ -	\$ -	\$ 47,000	\$ -	\$ 174,000
TOTAL REVENUE	\$ 127,000	\$ -	\$ -	\$ 47,000	\$ -	\$ 174,000

Capital Costs Beyond 2027: Replacement of vehicles will be based upon accumulated mileage and condition.

PUD No. 1 of Whatcom County
2023 Capital Improvement Budget (CIP)

ELECTRIC UTILITY - 481

CIP PROJECT NUMBER: E-22

PROJECT NAME: New Ferndale Pump Substation

PROJECT LOCATION: 5431 Ferndale Road

STATUS: Existing **Priority:** High

ESTIMATED START DATE: 2019 **ESTIMATED COMPLETION DATE:** 2023

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

In 2019, the District's electrical engineer completed the design of the new Ferndale substation (serves Water Treatment Plant 1) and site permitting was initiated. During the 4th quarter, the District went out to bid for major substation equipment, which included electrical switchgear and transformers. In 2020, the District and it's engineering consultant, BKI, worked on permitting and the acquisition of additional equipment required for the substation. In 2021, the District completed permitting of the project; procured major substation equipment; and chose a contractor to construct the substation. Substation construction began in 2021 and continued through 2022. Due to supply chain, design, and permitting issues, the project was not completed during 2022.

Current Budget Projected Activities

In 2023, the District anticipates completing the substation project. Once complete and operational, the new substation will initially provide 2400 volt service to Plant 1. Once the Plant's re-build is complete with new high head pumps installed, the substation will provide 4160 volt service.

Project Budget Estimate

Ferndale Substation Upgrade/Replacement

Remaining engineering Analysis, Design & Construction Services \$ 900,000

Budget Estimate Total: \$ 900,000

PROJECT JUSTIFICATION/BENEFITS:

The existing substation providing power for the District's Water Treatment Plant 1 has reached the end of its useful life and does not meet current industry standards. The construction of a new substation can be undertaken without taking Plant 1 off line until the switchover. The design of a new substation will include two transformers rather than the current one, for redundancy. Also, fixed standby generation can be included for reliability.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 900,000	\$ -	\$ -	\$ -	\$ -	\$ 900,000
TOTAL CAPITAL COSTS	\$ 900,000	\$ -	\$ -	\$ -	\$ -	\$ 900,000
REVENUE:						
Industrial Water Rate Revenue	\$ 900,000	\$ -	\$ -	\$ -	\$ -	\$ 900,000
TOTAL REVENUE	\$ 900,000	\$ -	\$ -	\$ -	\$ -	\$ 900,000

Capital Costs Beyond 2027: TBD. Related to plans for improvements to Water Treatment Plant No.1.

PUD No. 1 of Whatcom County
2023 Capital Improvement Budget (CIP)

ELECTRIC UTILITY - 481

CIP PROJECT NUMBER: E-25

PROJECT NAME: Electric System Non-Vehicle Equipment

PROJECT LOCATION: District Facilities

STATUS: New **Priority:** Medium

ESTIMATED START DATE: On-going **ESTIMATED COMPLETION DATE:** On-going

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

On an annual basis, District staff will assess what major tools, equipment, and other testing devices might be necessary to support electric system operations. These items are used for analysis of the condition and operation of electrical devices associated with the District's high voltage substations, transmission line, medium voltage switchgear, and lower voltage equipment associated with the water system. In addition, equipment necessary to operate safely and to assure physical security of electric facilities will also be assessed. As regulatory and industrial standards change over time, District staff will regularly reassess what new tools, equipment or devices might be required to capture the necessary data to meet regulatory requirements, log operational parameters, and to demonstrate physical security measures.

Current Budget Projected Activities

For 2023, the District will focus on additional electric system testing equipment that may be required to acquire data and calibrate equipment in order to maintain compliance with NERC electric reliability standards and requirements associated with the District's 115 kV electric system and its Bulk Electric System (BES) designated equipment. Also, testing, calibration, and data requirements will increase as a result of the real-time communications link to be established between the electric systems of the District and BPA.

Project Budget Estimate

Equipment	\$ 10,000
Budget Estimate Total: \$ 10,000	

PROJECT JUSTIFICATION/BENEFITS:

Equipment, devices, testing instruments purchased will help assure reliable operation of electric system components, detect potential hazardous conditions, and to help secure the District's electric facilities against physical threats. Also, such equipment will assist District staff in gathering data, testing and calibrating electrical devices to comply with relevant NERC electric system reliability standards, which are federally mandated.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 50,000
		-	-	-	-	-
TOTAL CAPITAL COSTS	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 50,000
REVENUE:						
Electric Rate Revenue	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 50,000
TOTAL REVENUE	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 50,000

Capital Costs Beyond 2027: TBD

PUD No. 1 of Whatcom County
2023 Capital Improvement Budget (CIP)

ELECTRIC UTILITY - 481

CIP PROJECT NUMBER: E-26

PROJECT NAME: Substation Security Improvements

PROJECT LOCATION: District Facilities

STATUS: New

Priority: High

ESTIMATED START DATE: On-going

ESTIMATED COMPLETION DATE: On-going

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

Security of the District's three 115 kV substations is a high priority. The District has and will continue to implement improvements to secure the substation perimeters and to detect intruders should these perimeters be breached. During 2017, cameras were added at the Refinery substation. In 2018, Card Reader access (ingress/egress) was installed at the Refinery substation. No additional security improvements were implemented through 2021.

Current Budget Projected Activities

In 2023, upon completion of the new Ferndale substation, physical security enhancements will be added including key card entry for gates and cameras.

Project Budget Estimate

Substation Security Improvements Design & Installation \$ 50,000

Budget Estimate Total: \$ 50,000

PROJECT JUSTIFICATION/BENEFITS:

Keeping the substations secure from intruders, both physical and cyber, is essential to maintaining reliable electric service for our retail customer(s) and the District's two water treatment plants. Also, improvements must be implemented to maintain compliance with electric system regulatory standards as they evolve over time.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
		-	-	-	-	-
TOTAL CAPITAL COSTS	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
REVENUE:						
Electric Rate Revenue	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
TOTAL REVENUE	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000

Capital Costs Beyond 2027: TBD

PUD No. 1 of Whatcom County 2023 Capital Improvement Budget (CIP)

INDUSTRIAL WATER UTILITY - 403 (Cherry Point Industrial, Wholesale / Municipal, Irrigation)

EXTRAORDINARY PROJECT: RW-M-2

PROJECT NAME: Clean Sediment Settling Ponds

PROJECT LOCATION: Plant Nos. 1 & 2

STATUS: Existing **PRIORITY:** High

ESTIMATED START DATE: On-going **ESTIMATED COMPLETION DATE:** On-going

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

A large annual maintenance activity associated with the industrial water system is the removal of sediment from the settling ponds associated with Water Treatment Plants No.1 and 2. The ponds are cleaned on a rotating basis and each year several thousand yards of sediment are removed by the District's contractor and deposited at an off-site location. In 2019, the District's contractor removed accumulated sediment from the east settling pond at Water Treatment Plant No.2. The work was completed during the third quarter of the year. Due to the wet Summer and wet sediment, the 2020 the pond cleaning project was reduced to less than a thousand yards from the Plant 2 West pond. In 2021, the District's contractor removed the sediment from the East pond at plant 2. In 2022, sediment was removed from a pond at Plant 1 and the west pond at Plant 2.

Current Budget Projected Activities

In 2023, the District plans to remove sediment from 2 locations that the District determines most in need. The contractor will be selected via competitive bid during the second or third quarter of the year and the removal of sediment will be scheduled depending on the weather.

Project Budget Estimate

Plant 1 & 2 Competitive Bid Contract for Excavation & Hauling of Materials from Ponds	\$ 155,000
Budget Estimate Total:	\$ 155,000

PROJECT JUSTIFICATION/BENEFITS:

The Settling Ponds are used as the final discharge of the silt and sand that is removed from each of the clarification basins during a "wash-down". Historically, the District excavated the material and allowed it to stockpile on the berm adjacent to the basins. However, this method limited access to and around the ponds. Furthermore, the sediment cannot be deposited or spread on District property designated as "wetlands". Therefore, removal and deposition of the sediment is accomplished by the contractor at an off-site location. The material to be removed is analyzed to determine its composition and whether it is suitable for off-site disposal. Because large amounts of sediment settle in the ponds each year, this maintenance activity must occur on an annual basis.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 310,000	\$ 155,000	\$ 155,000	\$ 155,000	\$ 155,000	\$ 930,000
TOTAL CAPITAL COSTS	\$ 310,000	\$ 155,000	\$ 155,000	\$ 155,000	\$ 155,000	\$ 930,000
REVENUE:						
Water Service Rates	\$ 310,000	\$ 155,000	\$ 155,000	\$ 155,000	\$ 155,000	\$ 930,000
TOTAL REVENUE	\$ 310,000	\$ 155,000	\$ 155,000	\$ 155,000	\$ 155,000	\$ 930,000

Costs Beyond 2027: Annual On-going maintenance.

PUD No. 1 of Whatcom County

2023 Capital Improvement Budget (CIP)

INDUSTRIAL WATER UTILITY - 403 (Cherry Point Industrial, Wholesale / Municipal, Irrigation)

EXTRAORDINARY PROJECT: RW-M-6

PROJECT NAME: Douglas Rd Vault & Line Upgrades

PROJECT LOCATION: Distribution System (Douglas Road)

STATUS: New **PRIORITY:** Medium

ESTIMATED START DATE: 2016 **ESTIMATED COMPLETION DATE:** 2023

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

Electrical equipment in the Douglas Road vault is powered by an electric feeder off of the Intalco plant's internal electric distribution system. If Intalco experiences an outage and the feeder is de-energized, so is the equipment in the Douglas Road vault. When completed, it would eliminate the District's dependency on Intalco facilities for power supply and SCADA monitoring of the Douglas Road vault location water flows and valve. Elements of the project include: (a) In 2020 the District installed a flow meter for recording industrial water supplied to the potable plant outside of the Intalco fence to a site near where the service line to Intalco connects to the District's 24" main line. A shut-off valve was also installed; (b) SCADA equipment and communications link is be tied to the new meter vault location and removed from Intalco's potable plant; (c) Install a solar power supply at the Douglas Road vault to provide power, a generator connection will be also installed in case of emergency. Due to a variety of factors, the project was not initiated in 2018. One factor causing a re-evaluation was the arrangements necessary for a power feed from PSE. In 2019, it was determined that a new power feed from PSE to Douglas Road vault was neither feasible or cost-effective. For back-up power services, District staff will evaluate the use of a UPS unit and solar power option to be installed at the Douglas Road vault location.

Current Budget Projected Activities

In 2023, based on prior evaluation, the District plans to proceed with the installation of a UPS unit and solar generation it will also include a back-up generator connection for emergency use at the Douglas Road vault. New fiber optic cabling has been installed in existing conduit running from the new meter site to the Douglas Road vault for connection to the District's fiber optic backbone communication system. This will enable remote monitoring of the meter data via the SCADA system. The District is planning on installing the new PLC and connecting to the SCADA backbone fiber within the Douglas Road vault in 2022.

Project Budget Estimate

Engineering Services - Design & Construction	\$ 20,000
Equipment and Materials	110,000
Budget Estimate Total:	\$ 130,000

PROJECT JUSTIFICATION/BENEFITS:

Improves operational access to metering. Improves security by: 1) Removal of devices located in customer's facility that are connected to the PUD's SCADA system, and 2) Access to Douglas vault will be made more secure. Improves operations by eliminating water flow meter from location on customer's property and adding a meter that can be more readily accessed and monitored. Operational reliability is improved by providing back-up power supply for Douglas road vault.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 130,000	\$ -	\$ -	\$ -	\$ -	\$ 130,000
TOTAL CAPITAL COSTS	\$ 130,000	\$ -	\$ -	\$ -	\$ -	\$ 130,000
REVENUE:						
Water Service Rates	\$ 130,000	\$ -	\$ -	\$ -	\$ -	\$ 130,000
TOTAL REVENUE	\$ 130,000	\$ -	\$ -	\$ -	\$ -	\$ 130,000

Costs Beyond 2027: None other than continued monitoring & maintenance as required.

PUD No. 1 of Whatcom County
2023 Capital Improvement Budget (CIP)

INDUSTRIAL WATER UTILITY - 403 (Cherry Point Industrial, Wholesale / Municipal, Irrigation)

EXTRAORDINARY PROJECT: RW-M-7

PROJECT NAME: D Station Improvements

PROJECT LOCATION: Distribution System (Western End -Aldergrove Road)

STATUS: Ongoing **PRIORITY:** High

ESTIMATED START DATE: 2014 **ESTIMATED COMPLETION DATE:** 2023

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

In 2016, an engineering feasibility study, which identified alternatives for improving D station operations, was completed and presented to the District's customer served from D Station, the BP Refinery. Based on discussions with BP staff during 2017, the District selected the least-cost alternative for improving D Station. Discussions continued in 2018 - 2020, but the project was not implemented. Some site investigation for design was done in 2021. During 2022, some onsite soils testing and piping analysis was conducted. As a result, some design elements were re-evaluated and changed. Engineering of the proposed design changes needs to be completed.

Current Budget Projected Activities

The District plans to proceed with final engineering design and permitting of the project in 2023. The District's portion of the project will involve replacing the main valve controlling water flow from the District's 24" supply main to the customer's distribution system; replacing the existing D Station meter with a new mag meter; installing bypass piping for meter maintenance; and improved telemetry at metering points. The District's plans to proceed to construction of the improvements 2nd or 3rd quarter, depending on BP's operational constraints and after consultation with BP.

Project Budget Estimate

Engineering Services: Design, Bid, and Construction Services	\$ 45,000
Materials Procurement & Construction (Competitive Bid Project)	205,000
Budget Estimate Total:	\$ 250,000

PROJECT JUSTIFICATION/BENEFITS:

The valve and piping improvements will improve reliability of service to the customer and increase capacity so that increased flows can be accommodated within design parameters. The new valve will be compatible with the duty cycles required when throttling the valve on a regular basis via the SCADA system. Also, the new mag meter will more accurately record flows and require less maintenance. D Station is currently a single customer industrial water supply point of delivery.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000
TOTAL CAPITAL COSTS	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000
REVENUE:						
Water Service Rates	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000
TOTAL REVENUE	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000

Costs Beyond 2027: To Be Determined

PUD No. 1 of Whatcom County 2023 Capital Improvement Budget (CIP)

INDUSTRIAL WATER UTILITY - 403 (Cherry Point Industrial, Wholesale / Municipal, Irrigation)

EXTRAORDINARY PROJECT: RW-M-10

PROJECT NAME: High Head Pump Rebuild & Motor Rewind

STATUS: Annual

PROJECT LOCATION: District Facilities

PRIORITY: High

ESTIMATED START DATE: On-going

ESTIMATED COMPLETION DATE: On-going

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

As part of the District's evolving major equipment maintenance schedule for the industrial water system facilities, the District has targeted the re-build of at least one intake or high head pump and the rewind of one pump motor drive at either Water Treatment Plant No.1 or No. 2. In 2022, the District proceeded with the rebuild of one high head pump assembly and the rewind of the associated motor at Plant 1.

Current Budget Projected Activities

During 2023, the District will evaluate and proceed with the rebuild of potentially two pump assembly and motor rewind for either Plant 1 or 2.

Project Budget Estimate

Pump Rebuild & Motor Rewind Work, Including Removal & Re-Installation (1 Pump & Motor)	\$	125,000
Budget Estimate Total:	\$	125,000

PROJECT JUSTIFICATION/BENEFITS:

Regular scheduled major overhauls of intake and high head pumps and motors improves & maintains plant reliability.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 250,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 750,000
TOTAL CAPITAL COSTS	\$ 250,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 750,000
REVENUE:						
Water Service Rates	\$ 250,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 750,000
TOTAL REVENUE	\$ 250,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 750,000

Costs Beyond 2027: To Be Determined.

PUD No. 1 of Whatcom County

2023 Capital Improvement Budget (CIP)

GRANDVIEW WATER UTILITY - 411 (Potable and Fire)

EXTRAORDINARY PROJECT: GVF-M-2

PROJECT NAME: Grandview Fire System Decommissioning

STATUS: New

PROJECT LOCATION: District Facilities

PRIORITY: Medium

ESTIMATED START DATE: 2024

ESTIMATED COMPLETION DATE: 2025

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

In 2019, the District completed the Vista Road industrial water line project, which connected the 24" industrial water main at Aldergrove and Vista Roads with the fire water supply distribution system for the Grandview water utility. Industrial water provided via this new line will be a new source of fire water supply. The existing diesel engine driven pump and intake pumping facilities contained in a building next to the Grandview pond will no longer be required. The pond will no longer be a source of fire water supply.

Current Budget Projected Activities

In 2023, the District plans to surplus the diesel engine in the pond pump-out building and offer it for sale. The remainder of the equipment and pump house building will remain until a plan for disposing of the assets is developed and budget funds are available for the de-commissioning of the facilities.

Project Budget Estimate

Work to decommission Grandview Fire

\$ 100,000

Budget Estimate Total: \$ 100,000

PROJECT JUSTIFICATION/BENEFITS:

Must de-commission the diesel engine drive intake pumping facility at the Grandview pond, as the pond is no longer a viable source of water for the Grandview fire water supply system. The new source of water will be provided by the newly constructed Vista Road industrial water main. Diesel engine and associated equipment may be utilized by the District at a different location or surplus.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ -	\$ 25,000	\$ 75,000	\$ -	\$ -	\$ 100,000
TOTAL CAPITAL COSTS	\$ -	\$ 25,000	\$ 75,000	\$ -	\$ -	\$ 100,000
REVENUE:						
Water Service Rates	\$ -	\$ 25,000	\$ 75,000	\$ -	\$ -	\$ 100,000
TOTAL REVENUE	\$ -	\$ 25,000	\$ 75,000	\$ -	\$ -	\$ 100,000

Costs Beyond 2027: None.

**PUD No. 1 of Whatcom County
2023 Capital Improvement Budget (CIP)**

ELECTRIC UTILITY - 481

EXTRAORDINARY PROJECT: E-M-1

PROJECT NAME: Transmission Line Vegetation Management

STATUS: Existing

PROJECT LOCATION: District Transmission Line ROW

PRIORITY: High

ESTIMATED START DATE: On-Going

ESTIMATED COMPLETION DATE: On-Going

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

To maintain reliability of electric service and to eliminate electrical safety hazards, the District, on an ongoing basis, manages vegetation within the 115 kV transmission line right of way. The transmission line ROW is 100 feet in width. Ongoing vegetation management involves removal of trees and shrubs and ongoing maintenance mowing activities.

Current Budget Projected Activities

In 2023, the District will contract for the removal of numerous trees, identified as a potential hazard to the 115 kV transmission facilities. In addition, smaller vegetation will be cut and the ground area mowed

Project Budget Estimate

Annual Vegetation Management: Contractor mowing & tree removal, as necessary \$ 250,000

Budget Estimate Total: \$ 250,000

PROJECT JUSTIFICATION/BENEFITS:

In order to assure reliable delivery of electric power to our customers and water plants, regular maintenance in the form of vegetation management within our electric transmission line corridors is essential. Further, the District has a regulatory obligation to maintain corridors and facilities in order to assure electric supply reliability.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 150,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 250,000
TOTAL CAPITAL COSTS	\$ 150,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 250,000
REVENUE:						
Electric Service Rates	\$ 150,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 250,000
TOTAL REVENUE	\$ 150,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 250,000

Costs Beyond 2027: On-going

**PUD No. 1 of Whatcom County
2023 Capital Improvement Budget (CIP)**

ELECTRIC UTILITY - 481

EXTRAORDINARY PROJECT: E-M-3

PROJECT NAME: Substation Maintenance

STATUS: On-going

PROJECT LOCATION: Various Substations

PRIORITY: Medium

ESTIMATED START DATE: 2023

ESTIMATED COMPLETION DATE: TBD

PROJECT DESCRIPTION/SCOPE:

Prior Years Budget Activities

This is a new capital maintenance item added.

Current Budget Projected Activities

In 2023, both the Refinery and Enterprise substations will be evaluated and testing performed. New equipment and devices will be installed or replaced as necessary.

Project Budget Estimate

Extensive Maintenance at Refinery Substation	\$ 200,000
Extensive Maintenance at Enterprise Substation	105,000

Budget Estimate Total: \$ 305,000

PROJECT JUSTIFICATION/BENEFITS:

To assure reliable operation of the District's three substations, Equipment testing, calibration and equipment replacement will be performed annually on a substation rotating basis. Frequency of testing and maintenance must meet regulatory requirements. Equipment replacement such as metering, relays, etc. will be undertaken as necessary and/or in the case of outdated, no longer supported devices.

PROPOSED BUDGET	2023	2024	2025	2026	2027	2023-2027 Total
CAPITAL COST:						
Direct Costs	\$ 170,000	\$ 135,000	\$ -	\$ -	\$ -	\$ 305,000
TOTAL CAPITAL COSTS	\$ 170,000	\$ 135,000	\$ -	\$ -	\$ -	\$ 305,000
REVENUE:						
Electric Service Rates	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ 200,000
Water Service Rates	70,000	35,000				105,000
TOTAL REVENUE	\$ 170,000	\$ 135,000	\$ -	\$ -	\$ -	\$ 305,000

Costs Beyond 2027: TBD

Industrial Water Utility**Rates and Revenue**

Unit Costs	2022 Rates	% Increase	2023 Rates
Industrial Water			
Monthly Fixed Capital Charge	\$ 10,084.74	4.00%	\$ 10,488.13
Monthly Fixed Operating Charge	\$ 15,021.55	14.00%	\$ 17,124.57
Monthly Fixed Fire Charge	\$ 1,124.78	0.00%	\$ 1,124.78
Monthly Fixed Potable Charge	\$ 75.00	0.00%	\$ 75.00
Consumption Charge per mg	\$ 432.05	0.69%	\$ 435.03
Irrigation (separate increase)			
Annual Fixed Charge	\$ 603.40	5.00%	\$ 633.57
Consumption Charge per mg	\$ 1,362.88	5.00%	\$ 1,431.02
Temporary Water Connection			
Fixed Charge	\$ 300.00	0.00%	\$ 300.00
Consumption Charge per 1,000/g	\$ 3.00	5.00%	\$ 3.15
OVERALL REVENUE CHANGE 7.11%			

Customer	QIC (MGD)	QIO (MGD)	Est Usage (MG)	Monthly Fixed Charges				Annual Fixed \$	Annual Consumption	Annual Total \$	Previous Year	2023 % Increase
				Fixed Capital	Fixed Operating	Fixed Fire	Monthly Fixed					
GPT - Gateway Pacific Terminal	5.33	0.00	0.00	\$ 55,902	\$ -	\$ -	\$ 55,902	\$ 670,821	\$ -	\$ 670,821	\$ 645,020	4.00%
BP Products NA	18.27	12.60	2,269.63	191,618	215,770	-	407,388	4,888,652	1,060,604	5,949,256	5,462,830	8.90%
Phillips66	6.00	4.00	1,255.03	62,929	68,498	-	131,427	1,577,125	539,785	2,116,910	1,989,370	6.41%
Alcoa Intalco	2.80	0.18	28.37	29,367	3,082	-	32,449	389,390	8,614	398,004	383,549	3.77%
CHEMCO	0.02	0.01	0.02	210	171	-	381	4,572	10	4,583	4,233	8.25%
Petrogas	0.05	0.03	6.89	524	514	-	1,038	12,458	2,999	15,457	14,437	7.06%
PSE Whitehorn	0.29	0.04	0.21	3,042	685	-	3,727	44,718	91	44,810	42,396	5.69%
PSE Ferndale Generating Station	2.70	2.00	385.73	28,318	34,249	-	62,567	750,805	107,887	858,692	853,916	0.56%
Praxair	0.14	0.07	12.02	1,510	1,274	-	2,784	33,408	5,229	38,637	36,137	6.92%
BNSF	0.00	0.00	0.00	-	-	1,125	1,125	13,497	-	13,497	13,497	0.00%
Cornerstone Community Church	0.00	0.00	0.00	-	-	506	506	6,074	-	6,074	6,074	0.00%
Free Rain Farms	0.02	0.01	1.80	210	171	-	381	4,572	781	5,353	4,999	7.09%
Grandview	0.01	0.01	5.21	105	171	-	276	3,314	2,266	5,579	5,263	6.01%
Irrigation Totals			50.67	-	-	-	-	23,442	80,933	104,375	91,382	14.22%
Total			4,015.57					\$ 8,422,848	\$ 1,809,200	\$ 10,232,048	\$ 9,553,103	7.11%

S:\Accounting\BUDGET AND RATES\BUDGET 2023\RATE MODELS\23 WPUD Ind Water.xlsx\Rate Design

Industrial Water Utilitiy

2023 Other Rates and Revenue

		Rate as set by Commission	Rate Last Year
Excess Usage Fee		\$ 767.50 per af	\$ 679.01 per af
Excess Demand Fee		\$ 205,494.80 per mgd	\$ 165,374.88 per mgd
Minimum Charge for Customer Assistance		\$ 100.00	\$ 100.00
Minimum Reconnection Fee		\$ 500.00	\$ 500.00
Direct Charges:	Praxair potable	\$ 75.00	\$ 75.00

PUBLIC UTILITY DISTRICT No. 1 of Whatcom County
GRANDVIEW UTILITY
 2023 Service Rates & Revenue

Account	Meter #	Company	Potable Meter Equivalent (ME) Used	Monthly Fixed Potable Meter Charge	Monthly Fixed Fire Charge	Annual Fixed Charges	Estimated Potable Usage (ccf)	Estimated Non-Potable Usage (ccf)	Annual Volume Revenue	Total Annual Revenue
			Fixed Potable Meter Charge \$		78.00	Per ME				
			Fixed Fire Charge \$		156.00	Per connection				
			Volume Potable Charge \$		14.33	Per ccf				
			Volume Non-Potable Charge \$		9.00	Per ccf				
02-0001	1	Kona Usa	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	130	0	\$ 1,860.45	\$ 4,668.45
02-0002	2	Crystal Creek Logistics	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	2	0	\$ 22.69	\$ 2,830.69
02-0003	3	Crystal Creek Logistics	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	0	0	\$ 3.45	\$ 2,811.45
02-0004	4	Crystal Creek Logistics	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	111	0	\$ 1,590.29	\$ 4,398.29
02-0005	5	MJ Marine Exhaust	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	21	0	\$ 296.98	\$ 3,104.98
02-0006	6	Perry Pallet	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	240	0	\$ 3,439.25	\$ 6,247.25
02-0007	7	Homefire Prest Logs	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	56	0	\$ 798.98	\$ 3,606.98
02-0008	8	Montigo Del Ray	1.67	\$ 130.26	\$ 156.00	\$ 3,435.12	92	0	\$ 1,316.30	\$ 4,751.42
02-0009	9	Silvastar Forest Products	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	17	0	\$ 237.59	\$ 3,045.59
02-0009	9.5	Silvastar Forest Products	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	443	0	\$ 6,342.01	\$ 9,150.01
02-0013	13	Western Refinery Svc	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	506	0	\$ 7,248.29	\$ 10,056.29
02-0013	13.5	Western Refinery Svc	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	409	0	\$ 5,861.99	\$ 8,669.99
02-0015	15	Management Services NW	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	164	0	\$ 2,356.70	\$ 5,164.70
02-0017	17	Nuova Distribution USA	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	90	0	\$ 1,291.39	\$ 4,099.39
02-0018	18	Co-Pac Properties	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	79	0	\$ 1,126.62	\$ 3,934.62
02-0022	22	Crystal Creek Logistics	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	0	0	\$ -	\$ 2,808.00
02-0023	23	LGC US Asset Holdings, LLC	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	107	0	\$ 1,527.06	\$ 4,335.06
02-0029	29	Seattle Manufacturing	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	118	0	\$ 1,697.59	\$ 4,505.59
02-0030	30	Macron Metal USA	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	130	0	\$ 1,866.20	\$ 4,674.20
02-0033	33	Healthy Pet	1.67	\$ 130.26	\$ 156.00	\$ 3,435.12	310	5,275	\$ 51,921.96	\$ 55,357.08
02-0035	35	RH Salashan	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	6	0	\$ 87.80	\$ 2,895.80
02-0036	36	Sustainable Solutions	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	64	0	\$ 923.52	\$ 3,731.52
02-0038	38	I-5 Industrial Center	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	18	0	\$ 264.41	\$ 3,072.41
02-0039	39	Allweather Wood/Trueguard	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	11	0	\$ 153.28	\$ 2,961.28
02-0040	40	Sahota, Dave	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	113	0	\$ 1,615.20	\$ 4,423.20
02-0041	41	Grandview Business Center	3.33	\$ 259.74	\$ 156.00	\$ 4,988.88	1,010	0	\$ 14,468.79	\$ 19,457.67
02-0042	42	Propack, Inc.	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	34	0	\$ 488.97	\$ 3,296.97
02-0044	44	Whisper Lake Developments	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	126	0	\$ 1,808.72	\$ 4,616.72
02-0045	45	Jensen Lee Properties	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	42	0	\$ 601.63	\$ 3,409.63
02-0046	46	Cascade Nets	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	19	0	\$ 270.16	\$ 3,078.16
02-0048	48	6819 Northgate Way LLC	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	69	0	\$ 994.41	\$ 3,802.41
02-0050	50	IMCO - Office	1.67	\$ 130.26	\$ 156.00	\$ 3,435.12	321	0	\$ 4,605.66	\$ 8,040.78
02-0051	51	IMCO - Shop	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	79	0	\$ 1,134.28	\$ 3,942.28
02-0052	52	Matia Contractors	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	73	0	\$ 1,046.14	\$ 3,854.14
02-0053	53	GV Lot 2 LLC	5.33	\$ 415.74	\$ 156.00	\$ 6,860.88	1,207	0	\$ 17,297.79	\$ 24,158.67
02-0054	54	GV Lot 2 LLC	2.30	\$ 179.40	\$ 156.00	\$ 4,024.80	165	0	\$ 2,366.28	\$ 6,391.08
02-0055	55	Border Safe Storage Solutions	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	54	0	\$ 775.99	\$ 3,583.99
02-0056	56	Infra Pacific LLC	0.00	\$ -	\$ 670.88	\$ 8,050.56	0	0	\$ -	\$ 8,050.56
02-0058	58	PES Holdings	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	31	0	\$ 438.86	\$ 3,246.86
02-0059	59	Method Homes	1.00	\$ 78.00	\$ 156.00	\$ 2,808.00	52	0	\$ 739.58	\$ 3,547.58
			48.97	\$ 3,819.66	\$ 6,754.88	\$ 126,894.48	6,518	5,275	\$ 140,887.27	\$ 267,781.75

ANY CUSTOMER SERVICE CALL-OUTS, INCLUDING DISCONNECTION AND RECONNECTION, MAY BE CHARGED A FEE OF \$100

PUBLIC UTILITY DISTRICT No. 1 of Whatcom County
Electric Utility
2023 District Service Rates

RESULTS	PASS-THRU	ELECTRIC	WATER	TOTAL
Revenue Requirement	\$ 9,278,003	\$ 2,277,600	\$ 81,338	\$ 11,636,942
General Service Charge/month		\$ 189,800	\$ 6,778	\$ 196,578
Previous General Service/mo		\$ 180,000	\$ 6,580	\$ 186,580
% Revenue Change		5%	3%	5%

District Operating Expenses

Labor & Benefits	\$ 884,476
Purchased Power	8,655,786
O&M Expenses	132,175
Extraordinary Maintenance	104,379
Admin Expenses	250,485
Taxes	687,860

Total District Operating Expenses **\$ 10,715,160**

Debt Service

2012 LTGO Bond Debt Service (P&I)	\$ 61,783
2021 LTGO Bond Debt Service (P&I) - Refinance 2010B	130,382
2021 LTGO Bond Debt Service (P&I) - New money	338,200

Total District Debt Service **\$ 530,365**

Capital Transfer **180,000**

Less Miscellaneous Revenue **(2,917)**

Partial Year Cash Adjustment **11,020**

Increase (Decrease) of Operating Reserves **203,313**

Revenue Requirement **\$ 11,636,942**

PUBLIC UTILITY DISTRICT No. 1 of Whatcom County

Industrial Water Utility**Funding Strategies**

Revenue Requirement - Fund 403	2023	2024	2025	2026	2027
Revenues @ Existing Rates					
Rate Revenues Under Existing Rates	\$ 9,465,114	\$ 9,334,582	\$ 9,334,582	\$ 9,334,582	\$ 9,308,317
Non-Rate Revenues	414,237	408,162	413,520	422,027	424,825
Total Revenues	\$ 9,879,351	\$ 9,742,744	\$ 9,748,102	\$ 9,756,609	\$ 9,733,142
Expenses					
Cash Operating Expenses	\$ 7,178,883	\$ 6,197,744	\$ 6,282,452	\$ 6,567,016	\$ 6,642,781
Existing Debt Service	1,965,374	1,963,319	1,604,602	1,602,118	1,598,329
New Debt Service	-	2,250,653	2,250,653	5,144,350	5,144,350
Rate Funded Capital	2,200,000	1,500,000	2,500,000	2,500,000	3,700,000
Total Expenses	\$ 11,344,257	\$ 11,911,716	\$ 12,637,708	\$ 15,813,484	\$ 17,085,460
Net Surplus (Deficiency)	\$ (1,464,906)	\$ (2,168,972)	\$ (2,889,606)	\$ (6,056,875)	\$ (7,352,318)
Additions to Meet Coverage	-	-	-	-	-
Total Surplus (Deficiency)	\$ (1,464,906)	\$ (2,168,972)	\$ (2,889,606)	\$ (6,056,875)	\$ (7,352,318)
Annual Rate Increase	7.00%	14.00%	13.00%	19.50%	6.00%
Cumulative Rate Increase	7.00%	21.98%	37.84%	64.72%	74.60%
Rate Revenues After Rate Increase	\$ 10,072,459	\$ 11,269,797	\$ 12,743,193	\$ 15,166,440	\$ 16,175,533
Incremental Rate Revenues	\$ 607,345	\$ 1,935,214	\$ 3,408,611	\$ 5,831,858	\$ 6,867,216
Additional Taxes from Rate Increase	\$ 30,543	\$ 97,322	\$ 171,419	\$ 293,284	\$ 345,352
Net Cash Flow After Rate Increase	(888,104)	(331,080)	347,586	(518,301)	(830,455)
Coverage After Rate Increase: Revenue Bonds Only	n/a	n/a	n/a	n/a	n/a
Coverage After Rate Increase: All Debt	1.68	1.28	1.79	1.30	1.45

Fund Balances - Fund 403	2023	2024	2025	2026	2027
OPERATING FUND					
Beginning Balance	\$ 3,885,964	\$ 3,016,860	\$ 2,682,780	\$ 3,027,366	\$ 2,506,065
plus: Net Cash Flow after Rate Increase	(888,104)	(331,080)	347,586	(518,301)	(830,455)
plus: Transfers In	19,000	-	-	-	-
less: Transfers Out	-	(3,000)	(3,000)	(3,000)	(3,000)
Ending Balance	\$ 3,016,860	\$ 2,682,780	\$ 3,027,366	\$ 2,506,065	\$ 1,672,610
Minimum Target Balance	\$ 952,863	\$ 1,000,581	\$ 1,010,979	\$ 1,067,037	\$ 1,079,491
CAPITAL FUND					
Beginning Balance	\$ 2,856,718	\$ 1,456,086	\$ 19,836,409	\$ 1,219,319	\$ 18,927,409
plus: Rate Funded Capital	2,200,000	1,500,000	2,500,000	2,500,000	3,700,000
plus: Transfers In	65,000	65,000	65,000	65,000	-
less: Transfers Out	-	-	-	-	-
plus: Capital Grants / Contributions / Other Expenses	552,000	-	-	-	-
plus: GFC Revenue Towards Capital	-	-	-	-	-
plus: Net Debt Proceeds	-	28,000,000	-	36,000,000	-
plus: Interest Earnings	25,710	13,105	185,819	18,265	177,638
less: Capital Expenditures	(3,898,791)	(10,851,194)	(21,022,341)	(20,527,742)	(21,634,651)
Ending Balance	\$ 1,800,637	\$ 20,182,996	\$ 1,564,887	\$ 19,274,842	\$ 1,170,396
Minimum Target Balance	\$ 873,783	\$ 978,069	\$ 820,424	\$ 815,478	\$ 826,548
EMERGENCY RESERVE					
Beginning Balance	\$ 231,000	\$ 212,000	\$ 215,000	\$ 218,000	\$ 221,000
plus: Transfers In	-	3,000	3,000	3,000	3,000
less: Transfers Out	(19,000)	-	-	-	-
Ending Balance	\$ 212,000	\$ 215,000	\$ 218,000	\$ 221,000	\$ 224,000
Minimum Target Balance	\$ -	\$ -	\$ -	\$ -	\$ -
DEBT RESERVE FUNDS					
Beginning Balance	\$ 810,108	\$ 810,108	\$ 810,108	\$ 810,108	\$ 810,108
plus: Reserve Funding from New Debt	-	-	-	-	-
less: Use of Reserves for Debt Service	-	-	-	-	-
Ending Balance	\$ 810,108	\$ 810,108	\$ 810,108	\$ 810,108	\$ 810,108
Minimum Target Balance	\$ -	\$ -	\$ -	\$ -	\$ -

Grandview Utility Funding Strategies

Revenue Requirement - Fund 411	2023	2024	2025	2026	2027
Revenues @ Existing Rates					
Rate Revenues Under Existing Rates	\$ 227,781	\$ 227,781	\$ 227,781	\$ 227,781	\$ 227,781
Non-Rate Revenues	1,222	1,165	1,023	810	1,089
Total Revenues	\$ 229,003	\$ 228,946	\$ 228,804	\$ 228,591	\$ 228,870
Expenses					
Cash Operating Expenses	\$ 210,878	\$ 239,917	\$ 296,956	\$ 229,341	\$ 237,079
Existing Debt Service short	-	-	-	15,231	76,001
New Debt Service	-	-	-	-	-
Rate Funded Capital	60,000	60,000	50,000	100,000	100,000
Total Expenses	\$ 270,878	\$ 299,917	\$ 346,956	\$ 344,572	\$ 413,080
Net Surplus (Deficiency)	\$ (41,875)	\$ (70,971)	\$ (118,152)	\$ (115,980)	\$ (184,210)
Additions to Meet Coverage	-	-	-	-	-
Total Surplus (Deficiency)	\$ (41,875)	\$ (70,971)	\$ (118,152)	\$ (115,980)	\$ (184,210)
Annual Rate Increase	6.50%	11.20%	14.50%	10.00%	10.00%
Cumulative Rate Increase	17.15%	30.27%	49.16%	64.08%	80.48%
Rate Revenues After Rate Increase	\$ 265,489	\$ 294,242	\$ 336,173	\$ 370,903	\$ 407,994
Incremental Rate Revenues	\$ 37,707	\$ 66,461	\$ 108,392	\$ 143,122	\$ 180,212
Additional Taxes from Rate Increase	\$ 1,896	\$ 3,342	\$ 5,451	\$ 7,198	\$ 9,063
Net Cash Flow After Rate Increase	(6,064)	(7,852)	(15,211)	19,944	(13,060)
Coverage After Rate Increase: Revenue Bonds Only	n/a	n/a	n/a	n/a	n/a
Coverage After Rate Increase: All Debt	0.38	0.35	0.24	0.90	1.10

Fund Balances - Fund 411	2023	2024	2025	2026	2027
OPERATING FUND					
Beginning Balance	\$ 67,273	\$ 63,209	\$ 55,056	\$ 39,545	\$ 59,189
plus: Net Cash Flow after Rate Increase	(6,064)	(7,852)	(15,211)	19,944	(13,060)
plus: Transfers In	2,000	-	-	-	-
less: Transfers Out	-	(300)	(300)	(300)	(300)
Ending Balance	\$ 63,209	\$ 55,056	\$ 39,545	\$ 59,189	\$ 45,829
Minimum Target Balance	\$ 37,165	\$ 37,829	\$ 38,986	\$ 40,200	\$ 41,472
CAPITAL FUND					
Beginning Balance	\$ 258,495	\$ 254,329	\$ 184,398	\$ 103,416	\$ 72,019
plus: Rate Funded Capital	60,000	60,000	50,000	100,000	100,000
less: 403-411 loan, fire connection	(65,000)	(65,000)	(65,000)	(65,000)	(65,000)
plus: GFC Revenue Towards Capital	-	-	-	-	-
plus: Net Debt Proceeds	-	-	-	-	-
plus: Interest Earnings	3,619	3,561	2,582	1,448	1,008
less: Capital Expenditures	(468,285)	(39,442)	(39,514)	(38,796)	(14,726)
Ending Balance	\$ 263,829	\$ 213,447	\$ 132,466	\$ 101,068	\$ 93,301
Minimum Target Balance	\$ 60,250	\$ 61,216	\$ 62,934	\$ 63,516	\$ 63,737
EMERGENCY RESERVE					
Beginning Balance	\$ 20,000	\$ 18,000	\$ 18,300	\$ 18,600	\$ 18,900
plus: Transfers In	-	300	300	300	300
less: Transfers Out	(2,000)	-	-	-	-
Ending Balance	\$ 18,000	\$ 18,300	\$ 18,600	\$ 18,900	\$ 19,200
Minimum Target Balance	\$ -	\$ -	\$ -	\$ -	\$ -
DEBT RESERVE FUNDS					
Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -
less: Use of Reserves for Debt Service	-	-	-	-	-
Ending Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Minimum Target Balance	\$ -	\$ -	\$ -	\$ -	\$ -

PUBLIC UTILITY DISTRICT No. 1 of *Whatcom County*

Electric Utility
Funding Strategies

Revenue Requirement - Fund 481	2023	2024	2025	2026	2027
Revenues @ Existing Rates					
Rate Revenues Under Existing Rates	\$ 11,431,405	\$ 12,301,797	\$ 12,647,790	\$ 13,570,922	\$ 13,906,777
Non-Rate Revenues	14,967	14,999	15,546	18,315	21,563
Total Revenues	\$ 11,446,372	\$ 12,316,796	\$ 12,663,336	\$ 13,589,237	\$ 13,928,340
Expenses					
Cash Operating Expenses	\$ 11,038,382	\$ 11,720,985	\$ 11,956,969	\$ 12,860,139	\$ 13,234,991
Existing Debt Service	530,155	532,794	468,730	471,614	468,403
New Debt Service	-	-	-	-	-
Rate Funded Capital	400,000	530,000	530,000	550,000	550,000
Total Expenses	\$ 11,968,537	\$ 12,783,778	\$ 12,955,699	\$ 13,881,753	\$ 14,253,394
Net Surplus (Deficiency)	\$ (522,165)	\$ (466,982)	\$ (292,364)	\$ (292,516)	\$ (325,055)
Additions to Meet Coverage	-	-	-	-	-
Total Surplus (Deficiency)	\$ (522,165)	\$ (466,982)	\$ (292,364)	\$ (292,516)	\$ (325,055)
Annual Rate Increase	3.00%	3.00%	2.00%	1.00%	0.00%
Cumulative Rate Increase	9.18%	12.46%	14.70%	15.85%	15.85%
Rate Revenues After Rate Increase	\$ 11,619,814	\$ 12,490,261	\$ 12,912,513	\$ 13,889,196	\$ 14,251,991
Incremental Rate Revenues	\$ 188,408	\$ 188,463	\$ 264,724	\$ 318,273	\$ 345,214
Additional Taxes from Rate Increase	\$ 7,298	\$ 7,300	\$ 10,254	\$ 12,328	\$ 13,372
Net Cash Flow After Rate Increase	(341,054)	(285,819)	(37,894)	13,430	6,788
Coverage After Rate Increase: Revenue Bonds Only	n/a	n/a	n/a	n/a	n/a
Coverage After Rate Increase: All Debt	1.16	1.50	2.11	2.26	2.27

Fund Balances - Fund 481	2023	2024	2025	2026	2027
OPERATING FUND					
Beginning Balance	\$ 1,161,446	\$ 1,138,943	\$ 1,194,711	\$ 1,497,386	\$ 1,853,248
plus: Net Cash Flow after Rate Increase	(341,054)	(285,819)	(37,894)	13,430	6,788
plus: Transfers In	344,551	346,587	345,568	347,433	345,169
less: Transfers Out	(26,000)	(5,000)	(5,000)	(5,000)	(5,000)
Ending Balance	\$ 1,138,943	\$ 1,194,711	\$ 1,497,386	\$ 1,853,248	\$ 2,200,204
<i>Minimum Target Balance</i>	<i>\$ 572,112</i>	<i>\$ 580,541</i>	<i>\$ 589,355</i>	<i>\$ 598,574</i>	<i>\$ 608,207</i>
CAPITAL FUND					
Beginning Balance	\$ 2,823,372	\$ 2,368,909	\$ 2,796,065	\$ 3,230,188	\$ 3,643,715
plus: Rate Funded Capital	400,000	530,000	530,000	550,000	550,000
plus: Transfers In	-	-	-	-	-
less: Transfers Out	-	-	-	-	-
plus: Capital Grants / Contributions / Other Expenses	-	-	-	-	-
plus: GFC Revenue Towards Capital	-	-	-	-	-
plus: Net Debt Proceeds	-	-	-	-	-
plus: Interest Earnings	25,410	21,320	28,788	32,695	36,417
less: Capital Expenditures	(414,373)	(153,214)	(153,714)	(198,218)	(164,466)
Ending Balance	\$ 2,834,409	\$ 2,767,015	\$ 3,201,139	\$ 3,614,665	\$ 4,065,666
<i>Minimum Target Balance</i>	<i>\$ 266,029</i>	<i>\$ 310,266</i>	<i>\$ 312,572</i>	<i>\$ 315,545</i>	<i>\$ 318,012</i>
EMERGENCY RESERVE					
Beginning Balance	\$ 99,000	\$ 125,000	\$ 130,000	\$ 135,000	\$ 140,000
plus: Transfers In	26,000	5,000	5,000	5,000	5,000
less: Transfers Out	-	-	-	-	-
Ending Balance	\$ 125,000	\$ 130,000	\$ 135,000	\$ 140,000	\$ 145,000
<i>Minimum Target Balance</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
DEBT RESERVE FUNDS					
Beginning Balance	\$ 402,602	\$ 402,602	\$ 402,602	\$ 402,602	\$ 402,602
plus: Reserve Funding from New Debt	-	-	-	-	-
less: Use of Reserves for Debt Service	-	-	-	-	-
Ending Balance	\$ 402,602	\$ 402,602	\$ 402,602	\$ 402,602	\$ 402,602
<i>Minimum Target Balance</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>

PUBLIC UTILITY DISTRICT No.1 of Whatcom County
Combined Utility Funds
Cash Flow Forecast for 2023 Budget

	2022	2023	2024	2025	2026	2027
OPERATING FUND						
Beginning Balance	\$ 3,577,757	\$ 5,114,683	\$ 4,219,012	\$ 3,932,547	\$ 4,564,297	\$ 4,418,502
plus: Net Cash Flow after Rate Increase	1,703,757	(890,671)	(278,164)	640,049	(137,495)	(491,559)
less: Transfer of Surplus to Capital Fund	-	-	-	-	-	-
Ending Balance	\$ 5,114,683	\$ 4,219,012	\$ 3,932,547	\$ 4,564,297	\$ 4,418,502	\$ 3,918,643
CAPITAL FUND						
Beginning Balance	\$ 6,490,186	\$ 5,938,584	\$ 4,079,324	\$ 22,816,872	\$ 4,552,924	\$ 22,643,143
plus: Rate Funded Capital	2,015,000	2,660,000	2,090,000	3,080,000	3,150,000	4,350,000
plus: Transfer from Operating Fund	-	-	-	-	-	-
plus: Capital Grants / Contributions / Other Expenses	171	1,027,000	-	-	-	-
plus: GFC Revenue Towards Capital	-	-	-	-	-	-
plus: LTGO Bond Proceeds	-	-	28,000,000	-	36,000,000	-
plus: Interest Earnings	59,899	54,740	37,986	217,188	52,408	215,063
Total Funding Sources	\$ 7,904,378	\$ 8,860,773	\$ 33,860,723	\$ 25,768,492	\$ 43,407,899	\$ 26,863,037
less: Capital Expenditures	(1,965,794)	(4,761,449)	(11,043,851)	(21,215,569)	(20,764,756)	(21,813,843)
Ending Capital Fund Balance	\$ 5,938,584	\$ 4,079,324	\$ 22,816,872	\$ 4,552,924	\$ 22,643,143	\$ 5,049,194
EMERGENCY RESERVE						
Beginning Balance	\$ 350,000	\$ 350,000	\$ 355,000	\$ 363,300	\$ 371,600	\$ 379,900
plus: Transfer from Operating Fund	-	26,000	8,300	8,300	8,300	8,300
plus: Transfer from Capital Fund	-	-	-	-	-	-
less: Transfer to Operating Fund	-	(21,000)	-	-	-	-
less: Transfer to Capital Fund	-	-	-	-	-	-
Ending Balance	\$ 350,000	\$ 355,000	\$ 363,300	\$ 371,600	\$ 379,900	\$ 388,200
DEBT RESERVE FUNDS						
Beginning Balance	\$ 1,212,710	\$ 1,212,710	\$ 1,212,710	\$ 1,212,710	\$ 1,212,710	\$ 1,212,710
plus: Reserve Funding from New Debt	-	-	-	-	-	-
less: Use of Reserves for Debt Service	-	-	-	-	-	-
Ending Balance	\$ 1,212,710	\$ 1,212,710	\$ 1,212,710	\$ 1,212,710	\$ 1,212,710	\$ 1,212,710
LUD ASSESSMENTS FUND						
Beginning Balance	\$ 238,154	\$ 192,434	\$ 144,339	\$ 93,584	\$ 40,118	\$ -
plus: Assessments Received	118,322	112,900	107,194	101,436	96,506	72,807
less: Use of Reserves for Debt Service	(164,042)	(160,995)	(157,949)	(154,902)	(151,855)	(148,808)
Ending Balance	\$ 192,434	\$ 144,339	\$ 93,584	\$ 40,118	\$ (15,231)	\$ (76,001)

Public Utility District No. 1 of Whatcom County
Historical and ProForma Debt Service Coverage

	2023	2024	2025	2026	2027
A Total Operating Revenue	\$ 22,443,401	\$ 24,478,625	\$ 26,421,968	\$ 29,867,691	\$ 31,282,994
B Total Operating Expenses*	17,648,701	17,799,843	18,329,788	19,332,986	19,911,680
C Operating Income (Loss)	4,794,700	6,678,782	8,092,181	10,534,705	11,371,314
D Balance Available for Debt Service	4,794,700	6,678,782	8,092,181	10,534,705	11,371,314
Debt Service					
2012 LTGO Bonds	424,998	425,580	-	-	-
2013 LTGO Bonds	451,000	448,800	451,200	448,000	449,400
2016 LTGO Bonds	160,995	157,949	154,902	151,855	148,808
2021 LTGO Bonds	1,238,400	1,237,200	1,239,600	1,240,400	1,234,600
EDI Loan	44,332	44,332	44,332	44,332	44,332
New Debt	-	2,250,653	2,250,653	5,144,350	5,144,350
E Total Debt Service	2,319,725	4,564,514	4,140,688	7,028,937	7,021,491
F Less LUD Assessment Income	(112,900)	(107,194)	(101,436)	(96,506)	(72,807)
Balance Available after Debt Service	2,587,875	2,221,461	4,052,929	3,602,274	4,422,630
D/(E-F)	2.17	1.50	2.00	1.52	1.64

*Excludes Depreciation and Amortization