

PUD NO 1 OF KITTITAS COUNTY
RESOLUTION No. 789
A RESOLUTION OF THE BOARD OF COMMISSIONERS
TO ADOPT THE WORK ORDER PROCEDURE

BACKGROUND: In November 2013, the District adopted a new line extension policy which, in general, charged the customer actual costs for primary and secondary line extensions. Previous line extension policies charged customers the average "per foot" cost for line extensions.

WHEREAS the Commission seeks to adopt the "Work Order Procedure" attached and prepared by the District management. The procedure is intended to guide the process and ensure accountability and internal controls are followed from initial customer contact to work order closing, and;

WHEREAS the Commission desires to honor costs and pre-paid services provided to customers under the previous line extension policy for a period of twelve months. These customers will be considered "grandfathered" under the previous line extension costs. A list of these customers who have either pre-paid for services or proceeded with a project, based upon project costs provided by District employees, is attached to this resolution, and;

WHEREAS the Commission desires to clarify the refund or charge limit in the line extension to match the application fee (currently set at \$75).

NOW, THEREFORE, BE IT HEREBY RESOLVED, the Commissioners of the Kittitas County PUD No.1 adopt the attached Work Order Procedure and Grandfathered customer list.

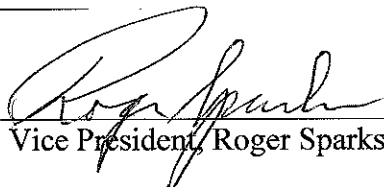
IN WITNESS WHEREOF, the undersigned, being all the members of the Board of Commissioners of Kittitas County PUD No.1, have executed this Resolution of the Board of Commissioners on this 25th day of February, 2014.

Attest:

President, Paul Rogers



Secretary, Shan Rowbotham



Vice President, Roger Sparks

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Work Order Procedure

The following procedure is intended to be a guide for employees, management and commissioners. It outlines the steps involved in work order creation from initial customer contact to work order closing.

<u>Step</u>	<u>Department</u>	<u>Approval</u>
<i>Description or explanation of step</i>		
1) Initial Contact or inquiry	Operations	No
<i>For customers researching potential projects for feasibility and to determine rough costs an estimate may be generated. This estimate not a promise of costs and customers should informed that they will be invoiced for actual costs at the time of construction.</i>		
2) Application Received	All	No
<i>Applications can be accepted by any department of the utility. Once received all applications should be given to the operations department for work order creation and billing/accounting department for research of billing history for outstanding balances and/or deposit required.</i>		
3) Create Work Order	Operations or Engineering	No
<i>Once created all invoices, time, equipment and materials for this job will be charged as needed to this number until job completion.</i>		
<i>*Jobs which do not require any materials from inventory (meters are special equipment, not inventory) should be completed by service order.</i>		
<i>**Any projects that will be completed in phases shall be done with multiple work orders. Each work order estimate is for the work to be completed at that time. Estimates should not include future work. Examples would be developments completed in phases or temporary service for construction with a permanent service when the building is complete.</i>		
4) Create Staking Sheet & Estimate	Operations or Engineering	Yes
<i>All estimates of work order costs must be approved by a supervisor or manager. Approval must be by someone who did not prepare the estimate. Once approved, estimates are given to the billing/accounting department. No estimate should be given to customer before billing/accounting completes the research for outstanding balances and deposits.</i>		
4a) Assembly Unit Fix	Finance Department	Yes
<i>When assembly units are created or corrected, assembly unit costs and all property records (CPRs) may need to be adjusted. This step requires approval from the Finance Manager.</i>		

Step**Department****Approval****5) Quote/Invoice****Customer Service Department**

A quote is created in PCS with a total amount due including outstanding balances, deposit required and work order estimate. This quote for the total amount due is given to the applicant.

6) Payment – Notification**Customer Service Department**

Payment arrangements may be made for total cost of the work order and any other fees and deposits. Once payment is received in full, operations is notified in writing and shall proceed with the work order.

7) Make Ready – Schedule**Operations or Engineering**

Once notification of payment is received, operations may proceed with locate, staking, drawing, scheduling, confirming inventory, securing permits, arranging flaggers and any other design and planning work required prior to construction.

8) Issue Work**Operations or Engineering**

Copies of the drawing and staking sheet are given to the foreman. Copies of the material pick-list are given to the foreman and warehouseperson.

8a) Post to Maps - GPS**Engineering****Yes**

Once work order is complete, GPS points must be gathered and posted to the District mapping system. This step is a way of field verifying what was recorded on the staking sheet and drawing match what was constructed in the field.

9) Construction Complete**Line Crew/Service Crew/Warehouseperson**

Since some work orders may take weeks or months to complete, materials for jobs should be checked in or out daily as needed and charged to the proper work order. Any special equipment or materials retired, scrapped or junked during this work order must be reported to the warehouseperson or operations manager.

10) Construction Review**Operations****Yes**

Once job is complete, operations will review material pick lists, staking sheets, time sheets and compare any differences from original design or plan. This review includes a periodic physical inspection of completed work. Any project changes or additions which affect the cost of the job must be noted in the file so the District can determine if they are the responsibility of the customer or the utility. For example, a customer should not be charged for the additional

Step

Department

Approval

equipment time for the District to repair a flat tire. Once complete, the file should be forwarded to the billing/accounting department.

11) Prepare PCS Cost Report Customer Service Department

This includes preparing a cost report coversheet which includes all costs and expenditures of the work order. It is extremely important that all labor, equipment time, material and direct charges from contractors are included in the cost report prior to requesting approval of the work order refund or invoice preparation.

12) Work Order Review/Approval Operations or Engineering Yes

Work order review and approval must be done by a manager. Approval includes review of the costs to line extension policy and costs to the customer service policy. Once signed, the coversheet must be given back to the accounting department for refund, invoice or work order closing. Since some work orders are prepared by managers, the manager approving the work order cannot be the individual who prepared or created the work order.

13) Refund or Invoice Customer Customer Service Department Yes

If the total work order costs differ from the aid to construction amount by more than the application fee (currently \$75), a refund or invoice should be prepared and given to the customer. This step must have approval from a department manager.

14) Close Work Order Accounting Department Yes

Requires finance manager approval.

15) Work Order Review All

Periodically any or all departments should review the reports available which compare standard material costs, estimates to actual costs, work order activity, etc. The purpose of such review is to improve the accuracy and efficiency of the work order process from initial contact to work order closing.

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"GRANDFATHERED" LIST

Friday, February 21, 2014

The New Line Extension Policy start date was November 1, 2013. The District understands several customers have been quoted job costs using the per foot method from the old line extension policy. Many customers initiated projects based on the costs under the previous policy. The District will honor these quotes and pre-payments for all customers quoted costs for services or alterations between November 1, 2012 and October 31, 2013. The following two (2) lists include work in progress and work completed under the old line extension policy.

**Any customers not included in the list of grandfathered work who can demonstrate the costs for a work order should be charged by the using the previous line extension policy may be added to the list by permission of the General Manager. The customer must be able to produce a letter, email, contract, memorandum of understanding, binding agreement, approved application for service or some other formal documentation.*

Work In Progress

Work Order No.	Customer Name	Start Date	Costs to Date
9813	Timothy Nicoulin	04/24/2013	-659.44
9827	Ethan Smith	05/08/2013	0.00
9484	Reagan Dunn	06/21/2013	-352.13
9864	John Montgomery	07/23/2013	1598.33
9865	Jim Coughlin	09/18/2013	385.11
9892	Ann Redmond	10/01/2013	-81.07
9893	John Schmitt	10/01/2013	5372.95
9894	Marek Lichota	10/01/2013	276.31
9895	John Gardner	10/01/2013	-183.97
		Total Costs:	6356.09

Work Completed

Work Order No.	Customer Name	Work Completed	Cost after contribution
9619s	Charles Rosenberry	12/01/2013	1949.18
9620s	Don Lewis	12/14/2013	1882.14
9738.7**	Dan Drais	04/04/2013	1374.56*
9768.9**	Jackie Leinbach	04/23/2013	766.56
9794**	Chris Ellingson	05/23/2013	1212.56
9802s	Lisa Brewer	06/28/2013	1147.18
9803s	Nip Tucker	08/16/2013	846.08
9805	Bob Haberman – Hay Press	02/04/2014	8037.41*
9809s	Jacques Lecoure	11/19/2013	1680.53
9811	Dale Taylor	01/17/2014	-2825.66*
9812s	Randy Willett	10/28/2013	634.54
9816	Pico Cantini	08/15/2013	4103.98
9817s	Ed Legault	11/08/2013	748.83
9820s	Mike Collison	09/11/2013	476.36
9826s	Christina Roux	10/15/2013	790.33
9830s	John Feeney	11/08/2013	1277.97
9831s	Lloyd Christensen	12/19/2013	1157.96
9841s	Jason Gokey	09/26/2013	1109.22
9846s	Dennis Schilling	12/16/2013	1846.57
9855s	Giles Durano	11/12/2013	18.73*
9856s	Duke Schneider	11/26/2013	2043.07
9874s	Tom Pruatt	01/31/2014	315.96*
9876s	Bill Lund	10/28/2013	1540.58
9878	Jon Larsen	08/28/2013	2771.82
9885**	Mike Genson	09/27/2013	12027.30
9898	Molly Matheson	11/04/2013	379.48
9899	Jim Parks	10/15/2013	1153.71
9906	Jerry Stougaard	10/30/2013	1430.91
9909**	Joanie Lee	11/15/2013	982.19
9913	Don Hines	12/02/2013	1622.59
9914	Kass Kayser	12/02/2013	1709.31
9916	Ron Cline	12/29/2013	1788.99
		Total Costs:	56000.94

* Denotes work order closure is not complete, additional charges will be added.

"s" Denotes Temp to Perm Work Order

** Denotes Taylor Bridge Fire Work Order