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April 14, 2026

MEMORANDUM

TO: Board of Commissioners

FROM: Brian Henshaw

SUBJECT: Approval of Public Works Board Pre-Construction Funding Agreement for Panorama Storage Tank

Requested Action:

Authorize the general manager to enter into a pre-construction funding agreement with the Public Works Board for the Panorama Storage Tank in the amount of \$750,000.

Background:

This project will construct a proposed 1.6 million-gallon (MG) water storage tank in the PUD-owned parcel south of Old Day Creek Road. The storage tank will add resiliency to the water system by providing gravity water service and fire suppression storage to the Judy Water Treatment Plant and the Panorama service area. The storage tank will also provide equalizing storage for the water treatment plant.

This agreement with the Public Works Board will fund the final design and preparation of bid documents. The PUD executed a professional services agreement with Consor North America on March 10, 2026 to complete the design and provide bidding services. This project was originally started and reached 90% design in 2022 before being postponed.

Fiscal Impact:

The pre-construction loan is for up to \$750,000, with a loan term of five years at an interest rate of 1.06%. The estimated annual loan payments of \$154,803 will be made over the next five years.

The estimated cost to complete the project in the 2026 Budget is \$16,500,000. If we agree to this loan, \$15,750,000 remains to be secured for funding.

Enclosures: 1. [Final Design Panoram Loan](#)