

DRAFT

PUBLIC UTILITY DISTRICT # 1 of Jefferson County

December 15, 2004

MINUTES

CALL TO ORDER

The regular meeting of the Public Utility District #1 of Jefferson County was called to order by the President of the Board of Commissioners at 5:01 p.m. at the District Office, 230 Chimacum Road, Port Hadlock, Washington. Commissioners and staff present were:

Dana Roberts, President
David W. Sullivan, Vice President
Wayne G. King, Secretary (5:04 arrival)
James G. Parker, District Manager
William Graham, District Resource Manager
Kate Pike, Brisa Services, Transcription

AGENDA

MOTION: By Commissioner Roberts, Second by Commissioner Sullivan, and carried unanimously, to accept the submitted agenda with the addition of Staff Report by the District's Resource Manager directly after Approval of Vouchers; and comments by Commissioner Sullivan on the Community Investment Fund directly after Discussion Item F.

MINUTES

MOTION: By Commissioner Sullivan, Second by Commissioner King, carried unanimously, to approve the Water System Hearing Minutes of November 17, 2004 and the Regular Meeting Minutes of November 17, 2004.

APPROVAL OF VOUCHERS

MOTION: By Commissioner Sullivan, Second by Commissioner King, carried unanimously, to approve payment of Warrants No. 8741 through 8840 in the amount of \$134,211.12.

STAFF REPORT

William Graham, District's Resource Manager addressed the Board concerning the December 14, 2004 WRIA 17 Planning Unit meeting set to make some approval of instream flows and a reserve (a pool of water which the DOE will allocate for exempt

wells) for principal streams within WRIA 17. The watershed group presented a thermal analysis of Chimacum, Leland, Tarboo Straits, and Big and Little Quilcene Rivers. A problem from the perspective of the PUD is that the Chimacum portion of analysis is based on data that is incomplete, thus flawed.

Mr. Phil Otness questioned the Board and Mr. Graham about other communities having similar experiences.

Mr. Paul Heinzinger, Marrowstone Island, supported Mr. Grahams concerns about flawed data.

ITEMS FROM THE FLOOR

Mr. Phil Otness, Port Ludlow, addressed the Board concerning the eventuality of the Port Ludlow Association not operating the Port Ludlow utilities. The utilities committee of the Port Ludlow Village Council is reviewing options, and petitioning the PUD No.1 of Jefferson County for service is one.

COMMISSIONER'S REPORTS

Commissioner Sullivan

On November 18, attended meeting of the Board of Health.

On December 3, attended meeting of Economic Development Council.

On December 12 attended program by a group from of Kala Point to hear of a possible rate increase for water system and give information on services provided by PUD.

On December 14, attended meeting of WRIA 17 Planning Unit on subject of setting of instream flows.

On December 16, intend to attend meeting at Becket Point.

On December 16, intend to attend meeting of the Board of Health.

On December 20, intend to attend meeting of County Commissioners.

Commissioner King

On December 8, attended presentation on global warming.

Commissioner Roberts

On December 6, attended Port Townsend Chamber of Commerce, presentation by Mr. Fishbach.

On December 8, attended presentation on global warming.

On December 14, attended meeting of WRIA 17 water resources Planning Unit.

On December 15, attended appreciation lunch for retired employees Rita Leach and Jim Engle.

Commissioner Roberts will be out of area from December 17 to January 2.

ACTION ITEMS

A. Fort Flagler State Parks. Water Tank Contract.

MOTION: By Commissioner King, Second by Commissioner Sullivan, and carried unanimously, to direct the District Manager to execute the agreement with Washington State Parks and Recreation.

B. Petersen Lake Appraiser. Mr. Parker presented an engagement proposal for appraisal of the Peterson Lake property. Pending contact by Mr. Parker with

Department of Health and Department of Ecology regarding the usability of this property for PUD purpose and function, the District may secure a Geotech Report and Hydrologist Report prior to appraisal. No action taken.

C. Wellhead Improvements.

As it became necessary to change drillers, using sandpack rather than screen process, on Airport Well project, it is suggested by the Manager to employ Holt Drilling for installation and Clark Land Office for property surveying.

MOTION: By Commissioner Sullivan, Second by Commissioner King, and carried unanimously, to authorize the Manager to contract with Holt Drilling to perform pump tests and positioning of screening for the amount of \$17,376.92.

MOTION: By Commissioner Roberts, Second by Commissioner King, and carried unanimously, to authorize the Manager to contract with Clark Land Office for survey of access road to Airport Well.

DISCUSSION ITEMS

A. Parametrix Change Order. The Manager apprised the Board of a December 16 meeting concerning any necessity of a geotechnical report and determination of wetlands at the Beckett Point project.

B. New Commissioner Position. Commissioner Sullivan will remain the Vice-President until his resignation from the Board of the PUD, December 31, 2004.

MOTION: By Commissioner Roberts, Second by Commissioner Sullivan, and carried unanimously, to rotate Board positions and nominate Commissioner King for the position of Board President for 2005.

MOTION: By Commissioner Roberts, Second by Commissioner Sullivan, and carried unanimously, to nominate Commissioner Roberts for the position of Board Secretary for 2005.

C. Bill Mailing Contract. Mr. Parker discussed the possibility of contracting out some of the billing process.

D. New Septic System for Park. Mr. Parker referred to support by the PUD for the Hood Canal Coordinating Council to install a reverse osmosis sewer system at Dosewallips State Park.

E. WSP Resolution. Mr. Parker presented the draft Resolution for adoption of the updated Comprehensive Water System Plan.

F. Used 120-foot Tower for SCADA. The Board discussed possible acquisition of a used tower in Pacific County.

G. Community Investment Fund. Commissioner Sullivan advised the Board that the terms of members of the Community Investment Board expired October 21; thus there is currently no board seated. The County Board of Commission meets on December 20 to consider three proposed ordinances, one of which dedicates 50 per cent of the Fund to the Tri-Area Sewer system. After discussion, the Board took the following

ACTION

MOTION: By Commissioner King, Second by Commissioner King, and carried unanimously, to direct the District Manager to prepare a letter, for all Commissioners' signatures, expressing objection to passing at this time an ordinance dedicating Community Investment Funds to a Tri-Area Sewer system.

MANAGER'S REPORT/OLD BUSINESS/ UPCOMING EVENTS

Concerning litigation regarding proposed LUD 14, Marrowstone Island, a court hearing is scheduled December 22 at 1:00 p.m.

With regard to utility acquisition on Indian Island, information may be forthcoming in January, 2005.

Regarding a Bay Way project, we will wait until 2005 to make any decision on any well drilling.

On the Quilcene system, paperwork for transfer USFS water rights should be completed by February 1, 2005.

The Manager executed a contract with Paul Sommers to perform electrical impact study.

The Manager is working with Jefferson County regarding an extension of the Seven Sisters line.

The District has purchased cedar trees for replacement at Loren Turner property.

Consideration of replacing Vandecar pump house

Next Regular Meeting is to be held January 5, 2005.

CORRESPONDENCE

Letter from Pacific Underwriter's regarding rating structure of employee life insurance.

Email from Department of Retirement Systems concerning a 2003 compliance audit.

ADJOURNMENT

MOTION: By Commissioner King, Second by Commissioner Sullivan to adjourn the Regular Meeting at 7:31 p.m.