

PUBLIC UTILITY DISTRICT NO. 1
of Jefferson County
July 1, 2009
REGULAR MEETING
MINUTES

DRAFT

CALL TO ORDER

The Regular Meeting of the Public Utility District No.1 of Jefferson County was called to order by the President of the Board of Commissioners at 5:00 p.m. at the District Office, 230 Chimacum Road, Port Hadlock, Washington. Commissioners and staff present were:

Wayne G. King, President
Ken McMillen, Vice-President
Dana Roberts, Secretary
James Parker, District Manager
Bill Graham, District Resource Manager
Kate Pike, Brisa Services

AGENDA

The Agenda was approved with the move of Discussion Item a. Electrical authority update to just prior to Action Items.

APPROVAL OF MINUTES

MOTION: By Commissioner McMillen, Second by Commissioner Roberts, carried unanimously, to approve the Regular Meeting Minutes of June 17, 2009.

APPROVAL OF VOUCHERS

MOTION: By Commissioner Roberts, Second by Commissioner McMillen, carried unanimously to approve payment of:

Warrants No.15164 through 15178 in the amount of \$ 22,931.68; and
Warrants No.15179 through 15218 in the amount of \$ 95,565.07; and
For a Total Amount of \$118,496.75

ITEMS FROM THE FLOOR (not listed on the Agenda)

None

COMMISSIONER'S REPORTS

Commissioner McMillen

June 25: Attended Public Utilities Risk Management System (PURMS) Board of Directors meeting.

Commissioner Roberts:

June 19: Attended the meeting of Community, Trade and Economic Development (CTED), which on July 26 will change its name to Washington State Department of Commerce.

June 23: Participated in a WRIA 17 Planning Unit Problem Identification Workshop.

June 24: Attended a meeting of the Climate Action Committee.

June 25: Attended the public hearing by Department of Ecology on Quilcene-Snow resources protection and watershed management program (instream flow rule).

June 30: Attended the Climate Action Committee open house meeting in the Tri-Area Community Center.

Commissioner King

June 19: Attended the meeting of Community, Trade and Economic Development (CTED), which on July 26 will change its name to Washington State Department of Commerce.

June 23: Attended the WRIA 17 Planning Unit Problem Identification Workshop.

June 25: Attended the public hearing by Department of Ecology on Quilcene-Snow resources protection and watershed management program (instream flow rule).

June 26: Met with Bill Wise, Team Jefferson and members of Citizens for Local Power to discuss economic development.

June 29: Met with the Manager, attorney ~~XXXXX~~ Gibson, Karl Karzmar, Tim Caldwell, Stephen Reynolds of Puget Sound Energy to discuss a move forward with providing electrical power.

DISCUSSION ITEM

a) Electrical Authority Update

The Manager presented an update on the status of acquiring power facilities in Jefferson County. He and Commissioner King had a positive meeting with Puget Sound Energy personnel in Seattle. It was decided that Karl Karzmar will continue as the PSE "point" person. The next meeting is scheduled for July 8. Two appraisers provided a drive-by sighting of the system which, despite a small service center, appeared in good condition.

The Manager has provided PSE with a list items needed for a more accurate evaluation.

Phil Otness, liaison and coordination services consultant, reported that he attended a meeting of NRU (Northwest Requirements Utilities) a non-profit that provides support services to northwest public power district utilities within the geographic footprint of the Bonneville Power Administration and who rely on BPA as the primary or exclusive supplier of wholesale energy or transmission services. The group has negotiated with BPA for its members and assisted small utilities with consulting; and may now begin to look at help with projects. Additionally, Phil advised that the Port Townsend Paper contract with BPA is currently under negotiation, as the Ninth Circuit Court has determined that the "Firm Power Sales Contract" through Clallam County is illegal. Lastly, he attended the Mustang Ridge Wind project of Energy Northwest, which is very large and not advised for this PUD participation at this time.

ACTION ITEMS

a) *Memorandum of Understanding with Jefferson County* (to use Peterson Lake payments as match for WRIA 17 Planning Unit funding)

The Manager presented an interlocal agreement amendment between the PUD and Jefferson County which renews an existing agreement allowing payments for Peterson Lake to be considered as match to provide continued watershed planning (in WRIA 17) funding from the Department of Ecology. After discussion, the Board took the following ACTION:

MOTION: By Commissioner Roberts, Second by Commissioner McMillen, carried unanimously, to authorize signing of the document by the President of the Board.

b) *Resolution Approving Change of Assessment*

The Manager presented Resolution No. 2009-014 ordering a change to an assessment on the Assessment Roll of Local Utility District No. 14, allowing a change from partial residential water meter service to full and complete residential water meter service for Darlene Sanders. After discussion the Board took the following ACTION:

MOTION: By Commissioner McMillen, Second by Commissioner Roberts, carried unanimously, to adopt Resolution No. 2009-014 ordering a change to an assessment on the Assessment Roll of Local Utility District No. 14,

c) *Instream Flow letter*

The Resource Manager presented correspondence prepared for the formal comments to the Department of Ecology concerning the Quilcene-Snow (WRIA 17) instream resources protection and watershed management

program rule proposal.

DISCUSSION ITEMS

b) 2009 Jefferson County Fair

The Resource Manager commented that the previous (2008) Jefferson County Fair displays were very well received. There are current projects to be noted (ASR project, well-monitoring network, possible electric power) and the PUD will again offer promotional handouts (pens, bags, water conservation materials, etc.)

c) Clean Energy - Solar Installation

Commissioner Roberts reported that Hans Frederickson of Frederickson Electric Inc. has given a presentation on installation of solar panels (energy efficiencies, lighting retrofits, etc.) and is available to offer the presentation to the PUD.

MANAGER'S REPORT/OLD BUSINESS

Indian Island: Regarding the transmission line, vertical hole drilling is to occur on July 9. Securing a fence easement from the U.S. Navy is in progress. Gary Wessen is preparing an archeological report, due to Jefferson County in September. Robbins Road work has been completed.

Olympic Mobile Village: Paperwork is being completed for submission to and reimbursement by the Washington Department of Health. Project Completion Report shall make the system part of the Quimper Water System.

Power Authority: See Discussion Item a) above. A negotiation meeting with Puget Sound Energy is set in Seattle on July 8.

STAFF REPORTS

None

PUBLIC COMMENT

None

CORRESPONDENCE

None

ADJOURNMENT

MOTION: By Commissioner McMillen, Second by Commissioner Roberts, carried unanimously, to adjourn the Regular Meeting at 6:29 p.m.

