

**PUBLIC UTILITY DISTRICT NO. 1
of Jefferson County**

DRAFT

**July 7, 2010
REGULAR MEETING
MINUTES**

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 5:01 p.m. at the District Office, 230 Chimacum Road, Port Hadlock, Washington. Commissioners and staff present were:

Ken McMillen, President
Barney Burke, Vice-President
Wayne King, Secretary
James Parker, District Manager
Kate Pike, Brisa Services

AGENDA

The Agenda was approved as submitted.

APPROVAL OF MINUTES

MOTION: By Commissioner Burke, Second by Commissioner King, carried unanimously, to approve the Regular Meeting Minutes of June 16, 2010 and the Special Meeting Minutes of June 30, 2010.

APPROVAL OF VOUCHERS

MOTION: By Commissioner King, Second by Commissioner Burke, carried unanimously to approve payment of:

Warrants No.16377 through 16391 in the amount of \$ 24,428.63; and
Warrants No.16392 through 16436 in the amount of \$ 149,573.85;
For a Total Amount of \$ 174,002.48

ITEMS FROM THE FLOOR (not listed on the Agenda)

None

COMMISSIONER'S REPORTS

Commissioner Burke

June 24: Attend meeting of the Peninsula Development District who will issue a letter of support for the PUD No. 1 of Jefferson County providing public power.

June 25: Attended meeting of the Citizens for Local Power

June 30: Attended Special Meeting executing a Power Sales Agreement with Bonneville Power Administration (BPA).

July 10: Expect to attend a solar tour sponsored by Jeff Randal.

July 21: Expect to attend Special Meeting to conduct a budget workshop at the District office.

Commissioner King

June 22: Attended meeting of the WRIA 17 Planning Unit/East Jefferson Watershed Council.

June 30: Attended Special Meeting executing a Power Sales Agreement with Bonneville Power Administration (BPA).

July 13: Expect to attend meeting of the WRIA 17 Planning Unit/East Jefferson Watershed Council.

July 21: Expect to attend Special Meeting to conduct a budget workshop at the District office.

Commissioner McMillen

June 17: Attended PURMS meeting in Seabec.

June 30: Attended Special Meeting executing a Power Sales Agreement with Bonneville Power Administration (BPA).

July 15 & 16: Expect to attend meetings of the Washington PUD Association in Olympia.

July 21: Expect to attend Special Meeting to conduct a budget workshop at the District office.

ACTION ITEMS

a) Notice to Proceed, Indian Island/Marrowstone Island causeway water line

The Manager presented a Notice to Proceed document for Seton Construction of Port Townsend to proceed with the Quimper Water System Indian Island/Marrowstone Island SR 116 Causeway project. He mentioned that a pre-construction conference is scheduled for July 14.

After discussion the Board took the following ACTION:

MOTION: By Commissioner Burke, Second by Commissioner King, carried unanimously, to authorize signature of this Notice to Proceed by the Board President (Commissioner McMillen).

DISCUSSION ITEMS

a) RUS Application

The Manager presented a proposal by Howard W. Barnes to assist the PUD in the efforts to seek RUS (Rural Utilities Service) financing for acquisition of the Puget Sound Energies facilities. The Board held discussion around budget, timelines, political insight capabilities, and tasks/deliverables tied to fees.

Public Comment

Steven Black remarked that it will be important to have financial connection/awareness in the private sector, as well with government funding opportunities, to factor in total costs and have payments tied to specific milestones.

b) Transition Team

The Manager presented correspondence to Puget Sound Energy with regard to the Transition Advisory Committee (identified in the Asset Purchase Agreement). He noted that the PUD members are in an advisory capacity only until initial payment is made to PSE, whereupon PUD members will take a more active coordinating and advisory role.

b) Golder Report

The Manager reported that Golder Associates did revise and complete the Water Demand, Availability Stage I report by the June 30 appointed date.

MANAGER'S REPORT/OLD BUSINESS

Indian Island: Regarding a possible transfer of the Indian Island water system, no new action to report. With regard to causeway construction, note ACTION ITEMS a) and b) above.

Power Authority: Note DISCUSSION ITEMS a) and b) above.

Sahara Water System extension: Public hearing is now likely to be held in September.

Sparling Well: Department of Health has approved the Sparling Well 3 treatment project and a pre-application conference with the Department of Community Development for non-conforming use is to be scheduled.

Design drawings for building, system layout, plumbing, power, etc. are to be completed.

Other: Court hearing for lawsuit was held on June 9 in Port Angeles. The judge has 90 days to respond.

PUBLIC COMMENT

None

CORRESPONDENCE

None

ADJOURNMENT

MOTION: By Commissioner Burke, Second by Commissioner King, carried unanimously, to adjourn the Regular Meeting at 6:03 p.m.