

PUBLIC UTILITY DISTRICT # 1
of Jefferson County
March 19, 2008
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
M. Kelly Hays, Vice-President
Dana Roberts Secretary
James Parker, District Manager
Thomas C. Neal, District Auditor
Kate Pike, Brisa Services

AGENDA

The Agenda was approved as amended.

APPROVAL OF MINUTES

MOTION: By Commissioner Roberts, Second by Commissioner Hays, carried unanimously, to approve the Regular Meeting Minutes of March 5, 2008.

APPROVAL OF VOUCHERS

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

Warrants No.13509 through 13523 in the amount of \$22,208.12; and
Warrants 13524 through 13560 in the amount of \$145,067.85;
For a Total of \$167,275.96

ITEMS FROM THE FLOOR (not listed on the Agenda)

Paul Heinzinger, Marrowstone asked about expected water pressure, pressure-reducing valves and regulators in the new Marrowstone Island system.

COMMISSIONERS' REPORTS

Commissioner Roberts:

March 10: Attended a meeting of interested parties exploring public power provision.

March 11: Attended meeting of WRIA 17 Planning Unit where projects for Phase IV funding were prioritized

March 14: Attended a workshop (Dana, didn't get this.)

March 17: Attended meeting of Port Townsend City Council addressing issue of providing public power.

March 18: Attended presentation at the Chimacum Grange regarding hydrology, dams and reservoirs.

March 24: Expect to attend a Port Townsend Chamber of Commerce luncheon hosting Rep. Lynn Kessler.

March 25: Expect to attend meeting of WRIA 17 Steering & Technical Committees.

March 26: Tentatively expect to attend a Department of Ecology presentation on the Dungeness Instream Flow Rule at John Wayne Marina.

Commissioner Hays:

March 11: Attended pre-construction walk-through with the Manager and Seton Construction regarding Griffith Point section of LUD #14.

March 17: Attended and presented at the Marrowstone Island Community Association (MICA).

March 18: Met a first truck with pipe for the East Marrowstone Road section of the LUD 14 project.

March 18: Attended presentation at the Chimacum Grange regarding hydrology, dams and reservoirs.

March 24: Expect to attend a Port Townsend Chamber of Commerce luncheon hosting Rep. Lynn Kessler.

Commissioner King:

March 18: Attended presentation at the Chimacum Grange regarding hydrology, dams and reservoirs.

March 24: Expect to attend a Port Townsend Chamber of Commerce luncheon hosting Rep. Lynn Kessler.

March 25: Expect to attend hydrology presentation by Peter Schwartzman, Pacific Groundwater Group.

ACTION ITEMS

a) Letter to Marrowstone Island residents regarding assessment

The Manager presented a draft letter to residents of Marrowstone Island regarding applications for LUD #14 water service. It was agreed that the final letter will go out with billing statements with easy-to-use reply instructions.

b) DOH (Department of Health) SRF (State Revolving Fund) Loan for LUD #14, Marrowstone Island

The Manager presented correspondence, a Scope of Work and an Environmental Protection Agency Pre-award Compliance Review Report for the Marrowstone Island Waterline Extension project from the Washington State Public Works Board. The project is included on the final 2007 Drinking Water State Revolving Fund (DWSRF) loan list. After discussion, the Board took the following ACTION:

MOTION: By Commissioner Roberts, Second by Commissioner Hays, carried unanimously, to authorize signature by the Board Presidents of forms pertinent to the DWSRF loan.

DISCUSSION ITEMS

a) Sahara Water System

The Manager presented correspondence from Kathryn J. Neal for the Sahara Water System Steering Committee, regarding obtaining water service from Jefferson County PUD No. 1. The next steps for this process are 1) obtaining easement through Gunstone property, 2) undergoing a Jefferson County permit process; and 3) estimating costs and securing funding for such a project.

b) Resolution No. 2008-02, Olympic Mobile Village

The Manager presented for review Resolution No. 2008-02, accepting the Olympic Mobile Village Water System as a gift and contribution and an agreement with Jefferson PUD No. 1 to commence operation and management of the facilities.

c) Public Power

The Manager and the Board discussed current interest of the City of Port Townsend in investigating formation of a public utility district to provide electric power. As the Jefferson PUD #1 is looking into the possibility of obtaining authority to provide electric power, the City proposed partnering in a feasibility study. Kees Kolff, Bill Wise and Andrew Reding, of the Alternative Electric Management Committee (AEMC), addressed the Board, requesting PUD participation in the study. Terry Oxley, Puget Sound Energy Director of Community Services, commented that PSE is unwilling to break up an integrated system and would likely litigate any start-up or takeover attempts. Jim Pivarnik, Deputy Director of the Port of Port Townsend, indicated that the Port is also very interested in pursuing such a feasibility study.

MANAGER'S REPORT/OLD BUSINESS

LUD 14 (Marrowstone Island): Note ACTION ITEMS a) and b) above. Friberg Construction is scheduled to begin work on March 24. Seton Construction is expected to begin the Griffith Point portion of the project next week. Staff is coordinating a loop between Mumby Road and Fort Gate Road.

Indian Island: Discussion and negotiation regarding Indian Island water utility privatization may resume.

Becket Point: Staff is preparing the owner's manual/agreement for each homeowner. Monthly billing will begin.

Quilcene: Department of Health will approve more connections. Quilcene Fire District has been sent a draft agreement for hydrant maintenance.

Olympic Mobile Village: Approval for Department of Health grant (approximately \$300,000) to be used in May has been received. Bid requests for construction went out March 19; expected opening is April 30; and work anticipated from May to October.

STAFF REPORTS: Auditor's Report

The Auditor reported that all is in order.

PUBLIC COMMENT

None

CORRESPONDENCE

1. Letter from Jefferson County Community Development regarding a May 8, 2008 meeting of the Water Utility Coordinating Council (WUCC).
2. Letter from Richard Purcell, Marrowstone Island, regarding placement of a fire hydrant.
3. Letter from Harris, Mericle & Wakayama regarding office relocation.

ADJOURNMENT

MOTION: By Commissioner Hays, Second by Commissioner Roberts, carried unanimously, to adjourn the Regular Meeting at 7:03 p.m.