

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

**DRAFT
March 1, 2011
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 5:02 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
Bill Graham, District Resource Manager
Kate Pike, Brisa Services

AGENDA

The Agenda was approved as submitted.

APPROVAL OF MINUTES

MOTION: By Commissioner King, Second by Commissioner Burke, carried unanimously, to approve the Regular Meeting Minutes of February 16, 2011 and the Special Meeting Minutes of February 22, 2011.

APPROVAL OF VOUCHERS

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

Warrants No.17152 through 117166 in the amount of \$ 24,951.91; and
Warrants No.17167 through 17191 in the amount of \$ 9,058.82;
For a Total Amount of \$ 34,010.73

ITEMS FROM THE FLOOR (not listed on the Agenda)

None

COMMISSIONER'S REPORTS

Commissioner King

February 19: Attended meeting of "Quilcene Conversation" in Quilcene concerning town revitalization.

February 22: Attended Special Meeting of PUD No.1 of Jefferson County regarding power.

February 23: Attended Puget Sound Energy Transition Team meeting via telecom in District office.

March 4: Expect to attend.

March 11: Expect to attend Jefferson County infrastructure meeting.

Commissioner Burke

February 17: Attended meeting of Soroptomist International of Port Townsend.

February 22: Met with Frank Needham and Mike Henson, NoaNet, regarding broadband in Jefferson County.

February 22: Attended Special Meeting of PUD No.1 of Jefferson County regarding power.

March 9: Expect to attend meeting of the Climate Action Committee.

Commissioner McMillen

February 17 & 18: Attended WPUDA meetings in Olympia.

February 22: Attended Special Meeting of PUD No.1 of Jefferson County regarding power.

ACTION ITEMS

None

DISCUSSION ITEMS

a) NoaNet MOU and Participation Agreement

Frank Needham, newly hired local representative of NoaNet, introduced himself and indicated that his task is to gather information concerning the broadband installation and be the link between corporate and local interests. Mr. Needham and the Board discussed some of what is already known about the project, possible input by local internet service providers, a continued need for a map showing wire and wireless coverage, participation of and coordination of "primary participants", and drafting of a Letter of Intent for involvement of PUD No.1 of Jefferson County.

MANAGER'S REPORT/OLD BUSINESS

Power Authority:

The Manager presented an update on power transition process. The

projected energy and demands, both with and without Port Townsend Paper Company Old Corrugated Cardboard (OCC) plant have been determined. A Letter of Intent (LOI) with the Paper Company has been executed and forwarded to the Bonneville Power Authority (BPA); an executed contract is to be forwarded to BPA by month end. Regarding "lookback" payments to or from direct-service industry (DSI) customers, the final BPA decision is that no DSI parties or BPA will be owed "lookback" payments. It is required that the PUD make its decision regarding participation in the Residential Exchange Program (developed to subsidize residential and small farm consumers of higher cost utilities) by April 15, 2011. Financing potentials continue with engineering, environmental, system upgrade and legal opinion reviews. The Transition Team continues to meet with attention to cost adjustments, lists of vendors, billing procedures and hiring processes. A press release was sent to appropriate publications. Two relative "webinar" presentations/classes are to be presented: March 2 and March 16, 2011 in the District Offices.

Indian Island:

No updates available on any proposed water system transfer. Archeologist to begin study over easement. The Department of Transportation is cooperative; however survey of the route may become necessary.

Sahara Water System Extension: Work by Seton Construction is expected to begin in May. Staff is providing sample information.

Sparling Well: CH2M Hill is preparing contract for completion. Septic design is pending. Wetland report has not been accepted by Jefferson County. The Manager, in an effort to determine what steps are necessary, will address the Board of County Commissioners.

PUBLIC COMMENT

None

CORRESPONDENCE

None

ADJOURNMENT

MOTION: By Commissioner Burke, Second by Commissioner King, carried unanimously, to adjourn the Regular Meeting at 7:06 p.m.

