

**PUBLIC UTILITY DISTRICT # 1**  
of Jefferson County  
October 6, 2008  
BUDGET/RATES HEARING and  
REGULAR MEETING  
MINUTES

**DRAFT**

**BUDGET/RATES HEARING**

**CALL TO ORDER**

The Budget/Rates hearing of the Public Utility District No.1 of Jefferson County was called to order by the President of the Board of Commissioners at 5:03 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  
Bill Graham, District Resource Manager  
Kate Pike, Brisa Services

The Manager presented for review a memorandum summarizing the draft 2009 Budget, currently on file in the District office. The current Budget format has some changes: a) more written narrative support; b) Jefferson County Treasurer will separate property tax revenue and associated expenses into a fund separate from the PUD larger general fund; c) tax revenue has been reduced for 2009; and d) \$200,00 has been set for a possible power-related study.

**Public Comment**

Phil Otness commented favorably on the property tax separation. Additionally, he suggested that Commissioners maintain a diary/journal of activities for ease in justification of general and enterprise funds activities.

**ADJOURNMENT**

The Budget/Rates hearing was adjourned to the Regular Meeting at 5:32 p.m.

**REGULAR MEETING**

**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 5:32 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  
Bill Graham, District Resource Manager  
Kate Pike, Brisa Services

## **AGENDA**

The Agenda was approved as submitted.

### **APPROVAL OF MINUTES**

MOTION: By Commissioner Roberts, Second by Commissioner Hays, carried unanimously, to approve the Regular Meeting Minutes of September 17, 2008.

### **APPROVAL OF VOUCHERS**

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

Warrants No.14212 through 14226 in the amount of \$22,185.10; and  
Warrants No.14227 through 14238 in the amount of \$19,521.86; and  
Warrants No. 14239 through 14289 in the amount of \$288,347.76  
For a Total of \$330,054.72

### **ITEMS FROM THE FLOOR** (not listed on the Agenda)

1) Paul Heinzinger commented on a Peninsula Daily News article relating to a study on power feasibility.

### **COMMISSIONER'S REPORTS**

#### **Commissioner Hays**

September 18: Attended meeting of the WPUDA and Commissioner Dinner in Port Angeles.

September 19: Attended meeting of the WPUDA Board of Directors in Port Angeles.

September 20: Attended Quilcene Fair.

September 24: Attended meeting of the Tri-Area Chamber of Commerce for presentations by Puget Sound Energy and Citizens for Local Power on the feasibility of locally providing public power.

October 1: Attended meeting/forum held by Jefferson County Association of Realtors on the feasibility of locally providing public power.

October 3: Attended meeting/forum at the Kala Point Community Association on the feasibility of locally providing public power.

October 7: Expect to attend meeting of Port Ludlow Community Association on the feasibility of locally providing public power.

October 15: Do not expect to attend Regular Meeting of Public Utility District No.1 of Jefferson County.

**Commissioner Roberts:**

September 18: Attended meeting of the WPUDA in Port Angeles, along with a Commissioner Dinner.

September 19: Attended meeting of the WPUDA Board of Directors in Port Angeles.

September 20: Attended Quilcene Fair.

September 22: Attended meeting of Port Townsend Chamber of Commerce.

September 23: Attended meeting of WRIA 17 Steering & Technical Committees.

September 24: Toured sewage treatment plant in Portland, Oregon.

September 25: Attended WPUDA annual Water Workshop.

October 1: Attended meeting/forum held by Jefferson County Association of Realtors on the feasibility of locally providing public power.

October 2: Attended meeting of Port Ludlow Community Association on the feasibility of locally providing public power.

October 3: Attended meeting/forum at the Kala Point Community Association on the feasibility of locally providing public power.

October 7: Expect to attend meeting of Port Ludlow Community Association on the feasibility of locally providing public power.

October 8: Expect to attend meeting of Kiwanis on the feasibility of locally providing public power.

October 9: May possibly attend meeting in Quilcene on the feasibility of locally providing public power.

October 14: Expect to attend meeting of WRIA 17 Planning Unit (and Technical ?) Committee Meeting.

**Commissioner King**

September 18: Attempted to attend meeting of the WPUDA in Port Angeles.

September 20: Attended Quilcene Fair.

September 22: Attended meeting of Port Townsend Chamber of Commerce.

September 25: Attended a meeting at the Masonic Hall in Port Townsend on the feasibility of locally providing public power.

**ACTION ITEMS**

*a) Contract with Paymentus*

The Resource Manager presented a Master Services Agreement for provision to the PUD of electronic bill payment services by Paymentus Corporation. After brief discussion the Board took the following ACTION:

MOTION: By Commissioner Hays, Second by Commissioner Roberts, carried unanimously, to authorize entering into an electronic bill payment agreement with Paymentus Corporation.

*b) Resolution 2008-009 Canceling an outstanding warrant*

The Manager presented Resolution No 2008-009, canceling outstanding warrants (No. 11701 and No. 12108).

MOTION: By Commissioner Roberts, Second by Commissioner Hays, carried unanimously, to adopt Resolution No. 2008-009 canceling outstanding warrants that were not redeemed within one year.

### **DISCUSSION ITEMS**

*a) Briefing by Norm MacLeod, Graywolf Consulting*

Norm MacLeod advised the Board that he attended a Department of Ecology water banking workshop. The concept of water banking is getting positive attention with the Washington Water Trust serving as a vault in other locales. There was some discussion around water rights and inchoate rights use.

*b) WPUDA Participation in Proposition 1*

Commissioner Hays expressed displeasure at the WPUDA, who represents all Public Utility Districts and their members, acting to support one side of a County political issue.

### **MANAGER'S REPORT/OLD BUSINESS**

**LUD 14 (Marrowstone Island):** Work continues by Pape & Sons on the southeast section. The Department of Ecology is requiring a weekly report on stormwater. As of this date, there are 616 requests for full service connections. A draft Resolution regarding the final assessment role will be prepared for review at the next Regular Meeting with public hearing scheduled for December 3, 2008 at the Nordland Garden Club on Marrowstone Island. At completion of final assessment hearing, staff will begin to prepare engineering, permits, etc., for water line crossing the causeway and on U.S.Navy property.

**Becket Point:** The District received notice concerning stormwater from the Department of Ecology, and Jefferson County seeks monitoring of grinder pumps. Staff will continue to investigate.

**Olympic Mobile Village:** Forty sites are hooked up. When connecting completed staff will address pump house and new pump.

**Budget:** Note Budget/Rates Hearing held 5:00 p.m. this date. A draft 2009 Budget is on file in the District office. Draft Resolution will be prepared for the October 15, 2008 Regular Meeting.

### **STAFF REPORTS**

None

### **PUBLIC COMMENT**

None

### **CORRESPONDENCE**

None

### **ADJOURNMENT**

**MOTION:** By Commissioner Roberts, Second by Commissioner Hays, carried unanimously, to adjourn the Regular Meeting at 7:19 p.m.