

**PUBLIC UTILITY DISTRICT NO. 1**  
of Jefferson County  
August 2, 2011  
SPECIAL MINUTES  
BUDGET WORKSHOP

**DRAFT**

**CALL TO ORDER**

The Budget Workshop of the Public Utility District No.1 of Jefferson County was called to order by the President of the Board of Commissioners at 1:02 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 G. King, Secretary  
James Parker, District Manager  
Kate Pike, Brisa Services

**AGENDA**

The meeting purpose was to conduct a workshop to address the 2012 Budget.

**DISCUSSION**

The Manager presented rate information relative to the 2012 District budget, which is to be on file at the District Office and on the District website by September 1, 2011. A public hearing is scheduled for Monday, October 3, 2011 at 5:00 p.m.

He noted several situations to be carried over from 2011 affecting budget planning:

- a. Provision of public electrical power has become a top PUD job, with operation anticipated in March of 2013; arranging cash flow will be a priority.
- b. The class action lawsuit against the PUD outcome continues to be unknown, yet legal fees will continue.
- c. Regarding a class action for fire hydrants, the District is awaiting guidance from the Washington PUD Association and results from court

rulings.

d. It is currently uncertain how Washington PUD Association reorganization will affect this PUD; however, it is likely that those rates will increase and additional fees for memberships will be incurred after implementation of electrical power.

e. Despite a loan for upgrade of the Sparling Well treatment plant, it is to be repaid, rates will be affected, and there will be costs for infrastructure changes to the Quimper Water System.

f. After U.S. Naval in Washington, D.C. approval for an Indian Island water main extension, requests for bids and installation may occur in 2012.

g. Installation and operation of any telecom system may require expenditures.

Additional possible expenditures could include additional personnel, inflation and rate increases completion of a south side Indian Island water line, Sparling Well treatment expansion, new equipment for water and power operations.

The Manager provided additional information pursuant to General Fund and Utility Fund data.

## **ADJOURNMENT**

**MOTION:** By Commissioner King, Second by Commissioner Burke, carried unanimously, to adjourn the Special Meeting at 3:32 p.m.