



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

**February 5, 2019**

**Board of Commissioners  
Regular Meeting**

**Final Minutes**

The Regular Meeting of the Public Utility District No. 1 of Jefferson County (PUD) was called to order by the President of the Board of Commissioners (Board or BOC) at 5:00 p.m. on February 5, 2019, at the Jefferson Transit Conference Room, at 63 Four Corners Road, Port Townsend, Washington, 98368. Present:

Commissioner Jeff Randall, President  
Commissioner Kenneth Collins, Secretary  
Commissioner Daniel Toepper, Vice President

Kevin Streett, Acting General Manager  
Joel Paisner, General Counsel (on phone)  
Susan Carter, Financial Consultant from Utilibiz  
Will O'Donnell, Communications Manager  
Bill Graham, Resource Manager  
Annette Johnson, Executive Assistant/Records Officer  
Jimmy Scarborough, Interim Electrical Engineering Supervisor  
Don McDaniel, Consultant

Cammy Brown, Recorder

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**1. CALL TO ORDER:**

Commissioner Jeff Randall called the regular meeting of the PUD Board of Commissioners for February 5 2019, to order at 5:00 p.m.

**INTRODUCTIONS:** Commissioner Jeff Randall started the meeting asking for voluntary introductions from the commissioners and staff.

**2. AGENDA APPROVAL:**

Acting General Manager Kevin Streett requested that an Item No. 7.1.2 Salary Survey for non-represented employees be moved before Item 7.1.1 under Action Items and requested that an item be added as 7.1.4 Declaration of Emergency.

**MOTION:** Commissioner Daniel Toepper made a motion to approve the agenda as modified. Commissioner Kenneth Collins seconded the motion. Motion carried unanimously.

**3. GENERAL PUBLIC COMMENT:** Commissioner Jeff Randall presented the guidelines for members of the public to submit their comments. Topics:

- Special meeting for capital projects – requested more information be provided to public.
- Appreciation shown to staff for presentation on capital projects.

- Seating arrangements at meetings at Operations Center Conference Room.
- Appreciation to staff for forwarding to county the water consumption figures.
- Membrane Bio Reactor (Handout No. 1).
- Separation Agreement between the PUD and Larry Dunbar.
- Clallam County meter roll out informational meeting.
- Positive feedback for PUD response time for outage.

**4. APPROVAL AND ADOPTION OF THE CONSENT AGENDA:**

Commissioner Jeff Randall requested BOC Meeting Minutes from January 2, 2019 and January 15, 2019, be removed from the Consent Agenda and placed after 7.1.2 Salary Survey for non-represented employees.

**MOTION:** Commissioner Kenneth Collins made a motion to approve and adopt the Consent Agenda as modified. Commissioner Daniel Toepper seconded the motion. Motion carried unanimously.

**4.1 APPROVAL OF MINUTES:**

Minutes from 1/2/19 Regular BOC meeting – removed and placed after 7.1.2.  
 Minutes from 1/15/19, Special Meeting.  
 Minutes from 1/15/19, Special Meeting/Executive session.  
 Minutes from 1/15/19 Regular BOC meeting – removed and placed after 7.1.2.

**4.2 APPROVAL OF VOUCHERS:**

- 4.2.1 Voucher certification form with supporting warrant register and payroll form.
- 4.2.2 BOC approval of voucher approval form.
- 4.2.3 Financial Highlights December 2018.

**VOUCHER APPROVAL FORM  
 PENDING INVOICES OVER \$100,000 TO BE APPROVED:**

Design Space for modular building   **Inv #** 4934/2-IN   **dated** 1/23/2019 **for** \$160,007.64

**PAYMENTS TO BE APPROVED:**

WARRANTS	AMOUNT	DATE
Accounts Payable: #119245 to #119312	\$1,012,572.94	1/10/2019
Accounts Payable: #119313 to #119320	\$ 199,342.87	1/17/2019
Accounts Payable: #119321 to #119365	\$ 362,482.31	1/18/2019
Accounts Payable: #119366 to #119399	\$ 702,784.40	1/24/2019
Payroll Checks: # 70541 to # 70546	\$ 9,565.01	1/11/2019
Payroll Checks: # 70547 to # 70552	\$ 11,924.86	1/25/2019
Payroll Direct Deposit	\$ 111,371.80	1/11/2019
Payroll Direct Deposit	\$ 104,183.22	1/25/2019
<b>TOTAL INVOICES PAID</b>	<b>\$ 2,514,227.41</b>	
<b>WIRE TRANSFERS PAID</b>	<b>AMOUNT</b>	<b>DATE</b>
Peterson Lake	\$ 14,328.62	1/2/2019
BPA	\$ 1,326,349.00	1/15/2019
<b>PAYMENT TOTAL</b>	<b>\$ 3,854,905.03</b>	
<b>VOIDED WARRANTS</b>		
#119094	\$ 15,246.46	

**4.3 ACTION ITEMS**

- 4.3.1 COLA for non-represented employees, Resolution 2019-07.
- 4.3.2 IBEW MOU.
- 4.3.3 Approval of Resolution 2019-06 Larry Dunbar Separation Agreement.
- 4.3.4 Approval of Resolution 2019-09 Appointment of Acting Manager to Comply with filings to RUS.

**END OF CONSENT AGENDA.**

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**5. COMMISSIONER REPORTS:**

**Commissioner Dan Toepper:**

- 1/16 to
- 1/18 Attended WPUDA conference.
- 1/22 Attended BOC Executive Session and interviews for CFO position.
- 1/24 Met with Acting General Manager Kevin Streett. Had a phone conversation with Magellan on broadband.
- 1/29 Went to Clallam PUD meeting.
- 1/29 Participated in the special meeting on capital projects.
- 1/29 Attended PUD Special Meeting - Executive Session.
- 1/30 Attended Public Infrastructure meeting.
- 1/31 Attended JeffCom 911 Services meeting.

**Commissioner Kenneth Collins:**

- 1/16 to
- 1/18 Attended WPUDA conference.
- 1/22 Attended BOC Executive Session and interviews for CFO position.
- 1/23 to
- 1/24 Attended Energy Northwest meeting.  
Commissioner Collins made a request to staff to look into cost of joining American Public Power Association.
- 1/28 Met with Linda Gott, Chairman of the Board for NoaNet.
- 1/29 Participated in the special meeting on PUD capital projects.
- 1/29 Attended PUD Special Meeting - Executive Session.
- 1/31 Met with Port Commissioner Bill Putney and the Director of North Olympic Development Council regarding a 1-2 day conference on Broadband for 3/18 and 3/19 to be held in Sequim.
- 2/1 Participated in a conference call with Magellan to discuss the parameters of the customer survey.
- 2/5 Attended a meeting with citizens of Marrowstone Island regarding internet.
- 2/6 Will be on a conference call regarding the survey parameters with Magellan.
- 2/7 Will attend special BOC meeting.
- 2/13 to
- 2/15 Will attend WPUDA Conference.

**Commissioner Jeff Randall:**

- 1/16 to
- 1/18 Attended WPUDA conference.
- 1/22 Met with Acting General Manager Kevin Streett and participated in CFO interviews.
- 1/23 Attended an American Water Association conference. Conference focus was building resilience in your organization.
- 1/24 Participated in phone meetings with Scott Fry and Tammy Lehman to coordinate reference checking of interviewees for the CFO position.
- 1/25 Met with Ross Ardrey of NW Consulting Management Consulting and got overview of non-represented salary survey.

- 1/25 Had a phone conference with Magellan broadband consultants.
- 1/29 Participated in the special meeting on capital projects.
- 1/29 Attended PUD Special Meeting Executive Session.
- 1/31 Had a follow-up call with Michael Nash of Nash Consulting Center.
- 2/4 Had phone conversations with General Counsel Joel Paisner and a separate phone conversation with Tammy Lehman and reviewed the PUD's procurement and inventory policies and practices.

6. **GENERAL MANAGER REPORT/FUTURE ITEMS (Information Only):**

- Bill Graham, Resource Manager gave a presentation on Olympic Green Septic. Location is Olympic Greens (west of Garden Court Apartments, Port Hadlock). Forty-one customers.
- The staff is in negotiations with NoaNet.
- Declaration of Emergency for last storm.  
Note: Resolution was not on the agenda. Copies were made for the commissioners and public during the meeting. The Resolution was added as an Action Item.
- Meter Replacement Program. Staff needs direction and clarification. Refer to CAB.

7. **ACTION ITEMS REQUIRING BOARD DISCUSSION:**

Copies of the Resolution on Declaration of Emergency were handed out to the commissioners and public.

**7.1.2 (Out of Order). Salary Survey Presentation:** Ross Ardrey of NW Management Consulting gave a presentation on the salary survey. Next step is to get direction from the commissioners as to how they would like to proceed. Mr. Ardrey provided a flash drive of the entire survey to the commissioners. Commissioners decided not to proceed with an extension of the agreement with NW Consultants. Acting General Manager Kevin Streett mentioned that there is some expectation from the staff and a decision needs to be made quickly. The temporary raises that were given are still in effect until the commissioners make a decision. This is the first step in making those decisions. Commissioners decided they needed to do more analysis and stated they wanted to be kept informed on changes.

**Public Comment:**

- Survey is unrealistic.
- Some of the salaries were more than employees are currently being paid.  
Would the salaries be decreased?  
Response: salaries would freeze.

**Minutes from 1/2/19 Meeting:**

Page 3 – under Commissioner Dan Toepper Report: first date should be 11/28/18 not 12/28/19.  
Page 5 – tenth bullet – IDEW should be IBEW. (two references).  
Page 6 – 4.1.1 – third paragraph – VEVA should be VEBA.  
Page 7 – paragraph five – “General County Joel Paisner” should be “General Counsel Joel Paisner”. “Terry Nomura” should be “Teri Nomura”.  
Last sentence “Streett” should be “Street”.

**MOTION:** Commissioner Kenneth Collins made a motion to approve the January 2, 2019, meeting minutes of the BOC as modified. Commissioner Dan Toepper seconded the motion. Motion carried unanimously.

**Minutes from 1/15/19 Meeting:**

Page 1 – delete Commissioner Wayne King and put in Commissioner Dan Toepper.

Page 7 – 7.1.4 Motion on the sale of the Admin Building.

Page 7 – under the first Motion:

Commissioner Dan Toepper would like to see the count on the vote and who was in the minority. Motion should read as follows:

**MOTION:** Commissioner Jeff Randall made a motion authorizing Acting General Manager Kevin Streett to accept the offer of the sale of the property at 230 Chimacum Road and execute the documents necessary to complete the sale. Commissioner Kenneth Collins seconded the motion. Motion passes with Commissioner Jeff Randall and Commissioner Kenneth Collins casting a yes vote and Commissioner Dan Toepper casting a no vote.

Commissioner Dan Toepper made the request that the minutes reflect the name of each Commissioner when there is an opposition to the vote. Commissioner Jeff Randall concurred with that suggestion.

**MOTION:** Commissioner Kenneth Collins made a motion to approve the January 15, 2019 minutes of the BOC as modified. Commissioner Dan Toepper seconded the motion. Motion carried unanimously.

**7.1.1 (Out of Order) Federal Employees Furloughed or working without pay.** Customer Service Manager Jean Hall was at a training so Executive Assistant/Records Officer Annette Johnson presented the Revised Policy on Assistance for Federal Employees Furloughed or Working without Pay (Handout No. 2). This revised report was copied and handed out to all commissioners and public members at this meeting. There is nothing in the PUD's policies at the present time that covers federal employees that are furloughed. This is for federal employees only. General Counsel Joel Paisner requested time to review the policy. There was consensus among the commissioners for General Counsel Joel Paisner to proceed.

**Public Comment: Topics:**

- Does this apply to private companies?  
Response: This depends on how the policy is drafted.
- Declare an emergency. If there was some local issue where you have a strike and a lot of people aren't getting paid or there is some other emergency affecting a lot of people, could the BOC have the ability to declare some sort of emergency and authorize staff not to follow normal collection procedures on non-payment of bills? Is that something that could be considered in drafting the policy?
- Suggestion that the situation comes before the BOC and the BOC makes a determination on a case-by-case basis.

**7.1.3 Timberland Services Agreement:** Resource Manager Bill Graham presented the Timberland Services Agreement between the American Forest Management and the Jefferson County PUD. Commissioner Dan Toepper would like to have someone look at the timber on the two parcels. Comment was made that some of the data in the agreement was old. Suggestion was made to get a third party to look at the property. Commissioner Dan Toepper requested the agreement be placed on the agenda at the next BOC meeting for further consideration and review.

**7.1.4 Declaration of Emergency Snow Storm:** Commissioner Jeff Randall read Resolution 2019-010 into the record.

**MOTION:** Commissioner Kenneth Collins made a motion to approve Resolution 2019-010

declaring the period February 4 and 5, 2019, a state of emergency and authorize the PUD Acting General Manager to purchase materials and order work to assist regularly employed personnel in the amount necessary. Commissioner Dan Toepper seconded the motion. Motion carried unanimously.

8. **SIGNING OF DOCUMENTS:** The signing of documents is done in open public meeting format.

9. **ADJOURNMENT:**

Commissioner Jeff Randall declared the February 5, 2019, Regular Meeting of the Jefferson County Public Utility District No. 1 adjourned at 7:15 p.m.

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Minutes prepared by  
Cammy Brown, PUD Recorder

Approved:

  
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Commissioner Kenneth Collins, Secretary

3/5/19  
Date

Attest:

  
\_\_\_\_\_  
Commissioner Jeff Randall, President

3-5-19  
Date

  
\_\_\_\_\_  
Commissioner Daniel Toepper, Vice President

3-5-19  
Date

*Please note PUD Board of Commissioner meetings are audio recorded and posted to the PUD website at [www.jeffpud.org](http://www.jeffpud.org), usually within 1-2 business days of each meeting. If you experience any difficulty accessing a particular recording, you may call 360.385.5800 for assistance. Jefferson PUD provides reasonable accommodations to persons with disabilities. We invite any person with special needs to contact our staff at 360.385.8351 at least 24 hours before the meeting to discuss any special accommodations.*