



PUBLIC UTILITY DISTRICT NO. 1  
of Jefferson County  
September 4, 2018

**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) at 5:00 p.m. on September 4, 2018, 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 Wayne King, Vice President

Larry Dunbar, General Manager  
Joel Paisner, General Counsel  
Kevin Streett, Assistant General Manager  
Susan Carter, Financial Consultant from Utilibiz  
Debbie Lund, Human Resources Manager  
Will O'Donnell, Communications Manager  
Jean Hall, Customer Service Manager  
Don McDaniel, Consultant

Cammy Brown, Recorder

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**1. CALL TO ORDER:**

The meeting was called to order by Commissioner Jeff Randall at 5:00 p.m.

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

**2. AGENDA APPROVAL:**

General Manager Larry Dunbar proposed that a new item be added: 7.3 Letter from Friends of Island Power.

**MOTION:** Commissioner Kenneth Collins made a motion to approve the agenda as amended. Commissioner Wayne King seconded the motion. Motion carried unanimously.

**3. GENERAL PUBLIC COMMENT: Topics:**

- Jefferson County Solid Waste.
- Account Balance Summary – credit balance. General Manager Larry Dunbar will follow up.
- CAB Member Roster – Question was raised as to why the private email addresses of the CAB members were made public. General Manager Larry Dunbar will follow up.

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

Correction to Minutes of August 7, 2018, Regular PUD Meeting. Page 5, Under Future Items, fifth bullet down – “Looking at whether the CAB should study potential electrical **road** impacts...

Should read “Looking at whether the CAB should study potential electrical **load** impacts...

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

#### **4.1 APPROVAL OF MINUTES:**

Draft Regular BOC Minutes August 7, 2018.

Draft Special Board Meeting Budget Workshop Minutes August 20, 2018.

#### **CFO REPORT AND APPROVAL OF VOUCHERS:**

- 4.1.1 Voucher Certification form with supporting warrant register and payroll from Aug. 7<sup>th</sup>, Aug. 21<sup>st</sup> and Sept. 4<sup>th</sup> BOC meetings.
- 4.1.2 BOC Approval of Voucher Approval form.
- 4.1.3 July 2018 Financial Statement

#### **VOUCHER CLAIM FORMS FOR INVOICES PAID:**

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VOUCHER CLAIM FORMS FOR INVOICES PAID:		
WARRANTS	AMOUNT	DATE
Accounts Payable: # 117619 to # 117680	\$ 407,830.83	7/12/2018
Accounts Payable: # 117681 to # 117731	\$ 346,392.08	7/19/2018
Accounts Payable: # 117732 to # 117801	\$ 362,328.77	7/25/2018
Accounts Payable: # 117802 to # 117802	\$ 453.03	7/26/2018
Accounts Payable: # 117803 to # 117835	\$ 135,334.50	8/2/2018
Accounts Payable: # 117836 to # 117907	\$ 482,583.60	8/9/2018
Accounts Payable: # 117908 to # 117996	\$ 432,768.15	8/17/2018
Accounts Payable: # 117997 to # 118003	\$ 171,250.05	8/22/2018
Payroll Checks: # 70471 to # 70475	\$ 9,429.60	7/13/2018
Payroll Checks: # 70476 to # 70480	\$ 9,466.98	7/27/2018
Payroll Checks: # 70481 to # 70485	\$ 10,451.58	8/10/2018
Payroll Checks: # 70486 to # 70490	\$ 9,185.79	8/24/2018
Payroll Direct Deposit:	\$ 96,126.67	7/13/2018
Payroll Direct Deposit:	\$ 100,022.46	7/27/2018

Payroll Direct Deposit:	\$ 101,057.15	8/10/2018
Payroll Direct Deposit:	\$ 98,093.65	8/24/2018

<b>TOTAL INVOICES PAID</b>	<b>\$ 2,772,754.89</b>
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<b>WIRE TRANSFERS PAID</b>	<b>AMOUNT</b>	<b>DATE</b>
BPA	\$ 1,011,501.00	7/13/2018
BPA	\$ 1,201,606.00	8/10/2018
<b>GRAND TOTAL</b>	<b>\$ 4,985,861.89</b>	

#### VOIDED WARRANTS

116937	\$ 9,859.17
117256	\$ 70.93
117505	\$ 163.67
117747	\$ 383.00
117901	\$ 86,136.65
117930	\$ 7,481.52

#### 4.2 ACTION ITEMS

- 4.2.1 HRA/VEBA update.
- 4.2.2 HR Policy Changes.
- 4.2.3 Resolution 2018-023 PURMS
- 4.4.4 RFP Approval – Auditor
- 4.4.5 RFP Approval – Real Estate Services
- 4.4.6 Written-off Accounts

#### 4.3 STAFF REPORTS not requiring Board action

#### 4.4 PUD Calendar of upcoming meetings – not requiring Board action.

#### END OF CONSENT AGENDA

### 5. COMMISSIONER REPORTS:

#### Commissioner Wayne King:

8-8-18 Attended NoaNet telecom meeting.

8-10-18 and 8-11-18 Attended the Jefferson County Fair and worked in the PUD booth.

8-13-18 Attended a Citizens' Advisory Board (CAB) meeting.

8-14-18 Attended parliamentary procedures workshop.

8-19-18 Attended All County Picnic at H. J. Carroll Park.

8-20-18 Attended PUD Budget meeting.

8-29-18 Attended Public Infrastructure Fund Meeting.

8-30-18 Attended NoaNet telecom workshop.

9-8-18 Will be attending the Quilcene Fair and work in PUD booth.

#### Commissioner Kenneth Collins:

8-9-18 Met with General Manager Larry Dunbar.

8-10-18 Attended the Jefferson County Fair and worked in PUD booth.

8-14-18 Attended parliamentary procedures workshop.

8-16-18 Attended CAB Broadband subcommittee meeting. Speaker was Vice President from T-Mobile broadband services. Spoke on political and organizational process of providing service to customers on San Juan Island.

- T-Mobile will shortly launch a nationwide campaign to expand their broadband services. This may provide opportunities for the PUD.
- 8-20-18 Attended PUD Budget Meeting.
  - 8-28-18 Attended a meeting with General Manager Larry Dunbar.
  - 8-28-18 Attended a second meeting with General Manager Larry Dunbar, Bill Graham, PUD Resource Manager and a customer from Marrowstone Island regarding the water table on Marrowstone. Half of the Marrowstone residents are still on wells. There is a need to continue to educate the public on water conservation. Need to improve dialogue with other county officials and educate the realtors who are involved in selling property so that they are not promoting the unlimited application of well water.
  - 8-30-18 Attended the NoaNet telecom workshop.
  - 8-31-18 Plan on attending the Public Power Council meeting in Portland.
  - 9-7-18 Plan on attending a meeting with General Manager Larry Dunbar.
  - 9-12-18 to 9-14-18 Will be attending the Washington PUD Association conference in Pasco.

**Commissioner Jeff Randall:**

- 8-10-18 Met with General Manager Larry Dunbar.
- 8-10-18 Attended the Jefferson County Fair and worked in PUD booth.
- 8-14-18 Attended parliamentary procedures workshop.
- 8-19-18 Attended All County Picnic at H. J. Carroll Park.
- 8-20-18 Attended PUD Budget Meeting.
- 8-22-18 Attended Climate Action Committee with city and county representatives.
- 8-23-18 Participated on a conference call with Craft3.
- 8-23-18 Attended the North Olympic Development Council Meeting.
- 8-24-18 Met with General Manager Larry Dunbar.
- 8-30-18 Attended the NoaNet telecom workshop.
- 9-5-18 to 9-6-18 Will attend a free emergency management training sponsored by Thurston County and FEMA.
- 9-12-18 to 9-14-18 Will be attending the Washington PUD Association conference in Pasco.

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

- Coyle Water System Emergency Construction Contract was executed on August 22, 2018. Shold Excavating, Inc. was awarded notice to proceed. Anticipate completion will happen this month. Total cost of the emergency repairs is \$67,000 plus tax. This does exceed preliminary estimate of \$50,000.
- Recruitment still under way for the Water Engineer.
- Broadband Planning Application will be considered by the CERB Board on September 20, 2018 in Sunnyside, Washington. General Manager Larry Dunbar and Will O'Donnell, Communications Manager, plan on attending this meeting.
- Planning to attend the Quilcene Fair.

**FUTURE ITEMS:**

- Planning on making a presentation at next BOC meeting on the schematic design of the consolidated Operations Center. Next steps will be in the fall of this year to consider moving forward with construction documents, as well as bidding.
- At the next BOC meeting anticipate bringing a modular building contract for award to the commission. This is for the modular building that will be purchased and owned by the PUD.

- Plan on bringing at the next BOC meeting resolution to bank the tax assessment for 2019. In prior years the commission has approved banking without a levy increase so that in future years if our future commission wants to raise taxes, the PUD does not lose any prior capacity.
- Planning to have a public hearing on the 2019 Draft Budget on October 1, 2018. At that meeting there will be a draft budget resolution and a draft policy resolution. After the public hearing it will be known if there is additional work the commissioners may direct staff to perform. If not, staff will likely request that the commissioners go ahead and approve the budget without further public hearing or action.
- At the next CAB meeting the staff plans to introduce the PUD's Broadband Line Extension Policy. Based on the recent parliamentary procedure training workshop, the staff will be asking the CAB to decide for themselves, as well as recommend to the commissioners, changes to the meetings.
- The staff is planning to bring a revised Governance Resolution for the CAB at the October meeting.
- The staff will ask CAB to begin the study of future impacts of electric vehicles.
- The staff will have a draft of the PUD Vehicle Use Policy changes.
- The staff is still evaluating feasibility of on-site financing with Craft3. After that feasibility evaluation, the staff will bring that issue to the CAB for their consideration and then bring it back to the commissioners.
- The staff is still working on a request for proposal for forestry services for timber sales. After the staff proceeds with the RFP and they have a proposed contract, they will come to the commissioners directly with that item.
- At the request of Commissioner Wayne King, the staff has submitted a public infrastructure fund request for consideration by Jefferson County. (at this time Commissioner Wayne King stated that he had a copy of the request and would share with the other commissioners.). Commissioner Wayne King passed across an email from General Manager Larry Dunbar to Jefferson County Administrator Philip Morley basically submitting the request.
- At the request of Commissioner Kenneth Collins, General Manager Larry Dunbar has been working with others to coordinate a NoaNet workshop. Commissioner Collins would like to bring in Kitsap County PUD, OPALCO (Orcas Power and Light Cooperative), and Mason PUD 3. General Manager Larry Dunbar will try to do that between now and the end of the year.

Commissioner Jeff Randall discussed the possibility of more than one commissioner attending the next CAB meeting. He requested that the next CAB meeting be published.

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

**7.1 Low Income Customer Participation.** Jean Hall, Customer Service Manager, made a presentation on the low income rate reduction program. Commissioner Kenneth Collins made the suggestion of conducting a survey of the low income reduction program participants as to their experiences in going through the application process. General Manager Larry Dunbar will follow up with this request.

General Manager Larry Dunbar gave a short update on the Craft3 project. There still needs to be some research done on the details of participation. General Manager Larry Dunbar is asking to modify the 2018 budget to increase the permissible expenditures up to \$350,000.

Commissioner Jeff Randall gave a brief historical summary on the rate adjustments which had been done.

#### **No Public Comment**

**MOTION:** Commissioner Kenneth Collins made a motion to amend the budget per the request of the General Manager to increase the amount allocated for the low income program. Commissioner Jeff Randall seconded the motion. Motion carried unanimously.

**7.2 CAB member replacements for 2019.** There are three members of the CAB that have terms that will expire December 31, 2018.

- A. Peter Lauritzen, District
- B. Roger Risley, District 2
- C. Doug Huber, District 3

Peter Lauritzen and Roger Risley do not wish to be re-appointed. Doug Huber stated would like to be re-appointed. Commissioner Wayne King stated he will re-appoint Doug Huber from District 3 to the Jefferson County PUD Citizens' Advisory Board. The commissioners voiced their appreciation to Mr. Risley and Mr. Huber for their service on the Citizens' Advisory Board.

General Counsel Joel Paisner apologized to CAB member Roger Risley for the inclusion of the CAB members' private email addresses on the CAB member Roster.

**7.3 Letter from Friends of Island Power.** General Manager Larry Dunbar gave a brief overview on what the Friends of Island Power was requesting in their letter. They would like General Manager Larry Dunbar and Commissioner Kenneth Collins to make a presentation to the Climate and Energy Forum on Bainbridge Island next spring to describe the PUD's progress in managing its new electric power utility in Jefferson County. This is a volunteer activity.

There was a request that the confidentiality agreement document be reviewed by General Counsel Joel Paisner.

**Commissioner Kenneth Collins stated that he overlooked something on the Consent Agenda. He requested that the resolution on PURMS be reviewed. After some discussion, it was determined that the PURMS resolution has already been approved on the Consent Agenda. It will be reviewed. If any changes need to be made, the resolution will be revised at a later date. No action at this time.**

**8. SIGNING OF DOCUMENTS:** The commissioners signed documents during the public meeting.

**9. EXECUTIVE SESSION:** An executive session will be held under the authority of RCW 42.30.110 to review the performance of a public employee.

The Board of Commissioners convened into Executive Session at 6:18 p.m. The executive session was estimated to last until 6:35 p.m.

The Board of Commissioners reconvened the meeting of the Board at 6:35 p.m. to announce an extension of time was needed for the Executive Session until 6:45 p.m.

The Board of Commissioners convened into Executive Session at 6:36 p.m.

The Board of Commissioners reconvened the meeting of the Board at 6:45 p.m.

10. ADJOURNMENT:

**MOTION:** Commissioner Jeff Randall declared the September 4, 2018, Regular Meeting of the Jefferson County Public Utility District No. 1 adjourned at 6:45 p.m.


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Minutes prepared by  
Cammy Brown, PUD Recorder

Approved:

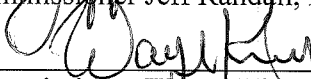
  
\_\_\_\_\_  
Commissioner Kenneth Collins, Secretary

11/20/18  
\_\_\_\_\_  
Date

Attest:

  
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Commissioner Jeff Randall, President

11/20/18  
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Date

  
\_\_\_\_\_  
Commissioner Wayne King, Vice President

11/20/18  
\_\_\_\_\_  
Date

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