



PUBLIC UTILITY DISTRICT NO. 1
of Jefferson County

December 6, 2017

Final Minutes

**Special Board Meeting
Governance**

The Special Meeting of Public Utility District No.1 of Jefferson County (PUD) was called to order by the President of the Board of Commissioners at 10:00 a.m. at the PUD Operations Office at 310 Four Corners Road, Port Townsend, WA 98339. Present:

Commissioner Kenneth Collins, President
Commissioner Jeff Randall, Vice President
Commissioner Wayne King, Secretary

Kevin Streett, Assistant General Manager
Debbie Lund, Human Resources Manager
Tammy Lehman, Interim Financial Officer
Will O'Donnell, Communications Manager
Richard Hughes, General Counsel
Annette Johnson, Executive Assistant and Records Administrator
Don McDaniel, Consultant

Special Guests:
George Caan, Executive Director
Washington Public Utility District Association
Liz Anderson
Communication and Government Affairs Director
Washington Public Utility District Association

Cammy Brown, Recorder

CALL TO ORDER

The meeting was called to order by Commissioner Kenneth Collins at 10:00 a.m.

The purpose of the meeting is to conduct a workshop on governance.

MOTION: Commissioner Jeff Randall moved and Commissioner Kenneth Collins seconded to approve the Agenda. Motion carried unanimously.

DISCUSSION

Assistant General Manager Kevin Streett turned the meeting over to George Caan, Executive Director of WPUDA and Liz Anderson, Communications and Government Affairs Director of WPUDA to review and provide a presentation on governance policy.

- Handout No. 1 Discussion Questions
- Handout No. 2 Governance of the PUD No. 1 of Jefferson County Commission

ADJOURNMENT

Commissioner Wayne King moved and Commissioner Jeff Randall seconded to adjourn the meeting at 11:55 a.m. Motion carried unanimously.

Minutes prepared by Cammy Brown, Recorder

Approved:

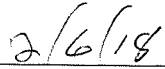
Commissioner Wayne King, Secretary

Date

Attest:



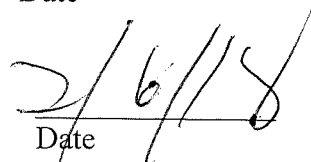
Commissioner Kenneth Collins, President



Date



Commissioner Jeff Randall, Vice President



Date

Please note PUD Board of Commissioner meetings are audio recorded and posted to the PUD website at 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.



PUBLIC UTILITY DISTRICT NO. 1
of Jefferson County
December 12, 2017
PUD Special Board Meeting

FINAL MINUTES

The special 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 5:03 p.m. at the Jefferson County Transit Administration office at 63 Four Corners Road, Port Townsend, Washington, 98368. Present:

Commissioner Kenneth Collins, President
Commissioner Jeff Randall, Vice President
Commissioner Wayne King, Secretary

Kevin Streett, Assistant General Manager
Debbie Lund, Human Resources Manager
Annette Johnson, Executive Assistant and Records Administrator
Bill Graham, Resource and Conservation Manager
Tammy Lehman, Interim Financial Officer
Will O'Donnell, Communications Manager
Richard Hughes, General Counsel (via telephone conference)
Don McDaniel, Consultant

Cammy Brown, Recorder

1. **CALL TO ORDER:**

The December 12, 2017, the special meeting of the Jefferson County PUD was called to order by Commissioner Kenneth Collins at 5:00 p.m.

2. **AGENDA APPROVAL:**

MOTION: Commissioner Jeff Randall moved to approve the agenda and the motion was seconded by Commissioner Wayne King. Motion carried unanimously.

3. **GENERAL PUBLIC COMMENT:**

There were the following general public comment topics:

- Street lighting at Mt. Constance and Springwood Roads.
- Actual number of testimonies correction in October 30, 2017 PUD Meeting Minutes (public forum member says it should be approximately twenty-five).
- Comment on listening quality of the audio recordings of the meetings. There was a request to have microphones.

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

Items moved or taken off the Consent Agenda.

4.4.5 Mycoff GM Selection Timeline. Move to 6.0.

4.4.1 PUD Food and Award Policy. Move item to Action Items Requiring Board Discussion.

MOTION: Commissioner Jeff Randall moved to approve the consent agenda as modified and it was seconded by Commissioner Wayne King. Motion carried unanimously.

4.1 **APPROVAL OF MINUTES**

4.1.1 Special Meeting 10/20/17 (Approved with correction to be made as stated in General Public Comment above).

4.1.2 BOC Budget and Regular meeting 11/07/17.

4.2 **CFO REPORT AND APPROVAL OF VOUCHERS**

No report or voucher approval documents submitted at this meeting. These documents will be submitted at the 01-02-2018 PUD Regular Meeting.

4.3 **RESOLUTIONS:**

4.3.1 Resolution 2017-25 Petty Cash/Change Fund Increase.

4.3.2 Resolution 2017-26 PURMS change to include new IBEW Dental Plan

4.4 **ACTION ITEMS:**

4.4.1 PUD Food and Award Policy moved to 6.0 after item 6.0.05 for discussion.

4.4.2 Memo for Food and Award Policy.

4.4.3 Form for Food and Award Policy.

4.4.4 Update on TCF.

4.4.5 Mycoff GM Selection Timeline (moved to 6.0 after item 6.0.05).

4.4.6 BOC proposal to implement WA Paid Sick Leave law.

4.4.7 Write Off Accounts Summary

4.5 **CAB REPORT** not requiring Board action.

4.5.1 CAB meeting agenda for December 11, 2017.

4.6 **STAFF REPORTS** not requiring Board action

4.6.1 HR Report.

4.7 **PUD Calendar** of upcoming meetings – not requiring Board action

4.8 **CORRESPONDENCE** not requiring Board action.

5. **COMMISSIONERS' REPORTS:** Commissioners gave their reports.

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

6.0.01 **Broadband Strategy Choices:** Commissioner Kenneth Collins stated that the slides that he had used for presentation on Marrowstone Island were included in the packet. The purpose of that was to get all the Commissioners thinking about what he thought should be a strategy meeting so that the Commissioners could decide on a path forward. The PUD needs

more detailed information from other counties. Suggestion was made to have a meeting and look at what the options are, have more speakers about what is going on in other places, and figure out what would be the best path forward for the PUD on this issue.

6.0.02 Smart Meters/Advanced Meter Infrastructure: Assistant General Manager Kevin Streett referenced handouts that were in the packet, Financial Analysis and WA Utilities Residential Electric Meter Informal Survey. There were questions and statements regarding opt out clauses, actual costs of smart meters, ITRON, battery replacement, unanticipated costs for rate payers on AMI meters, infrastructure picture, and support – cost benefit plan. Handout No. 1 on Connected Grid Routers and Open Way Routing Nodes and Professional Services RFP was presented. There were seven individual comments from the public – pros and cons on the smart meters.

MOTION: Commissioner Jeff Randall moved to direct staff to see what consultant resources are available to help the PUD regarding AMI meters and what that might cost. Motion was seconded by Commissioner Kenneth Collins. Motion carried unanimously.

Commissioner Jeff Randall requested that the survey that WPUDA did for the PUD be included on the PUD website. This is a thorough survey of Washington public utilities – what meters they are using and why.

6.0.03 Work Plan Budget for Water Street project: Assistant General Manager Kevin Streett gave an overview of the project.

MOTION: Commissioner Kenneth Collins moved to approve the Water Street Project Interlocal Agreement. Motion was seconded by Commissioner Jeff Randall. Motion carried unanimously.

6.0.04 Four Corners Property – 210 Four Corners Road. Assistant General Manager Kevin Streett gave an overview of the property to be purchased by the PUD. There was an estimate done. Property would be used as a buffer and it would be vacant. Assistant General Manager Kevin Streett explained some of the issues that would come up if the PUD did not purchase the property.

MOTION: Motion was made by Commissioner Wayne King to direct the Assistant General Manager to negotiate the purchase and come back with the final price of the property. Motion was seconded by Commissioner Jeff Randall. Motion carried unanimously.

6.0.05 Water Rates: Assistant General Manager Kevin Streett informed the commissioners that the PUD is looking at a rate increase depending on the research that comes back from EES. It will take an estimated 16 hours to get this done. One of the reasons the PUD would like to push forward with this is that when PUD staff go out into the community, and talk about the electric rates, PUD staff can talk about the water rates at the same time. The budget in the fall did not include water rate increases. The PUD realized that the cost for water for next year is going to be higher than expected and the PUD needs to increase its revenue a little bit to cover those costs. The PUD needs more analysis. An opportunity has come up that may produce some matching funds to apply for a grant.

4.4.5 Mycoff GM Selection Timeline: Commissioner Jeff Randall requested more information on the timeline. Consultant Don McDaniel gave a brief outline on the process.

To get the best candidates the information is going to be confidential until the end of the process when we get down to one or two applicants. The interviews will actually be held in executive session. Each commissioner is to select a citizen to help them on the final interview process.

4.4.1 PUD Food and Award Policy. General Counsel Richard Hughes had a question

on the dollar amount for meals. The staff liked the policy the way it is written now. Mr. Hughes points out there are not enough conditions placed with purchasing a meal - no dollar amount. Interim Financial Officer Tammy Lehman stated there are adequate internal controls in place. Assistant General Manager Kevin Streett and Interim Financial Officer Tammy Lehman will look at alternative per diem language.

7. **FUTURE ITEMS:** The following were added as future items:

- Rate hearing (one at Fire Hall).
- Vacation – Assistant General Manager Kevin Streett (Chain of Command – Tammy Lehman to take over when General Manager is gone).
- Revisit and discuss policy on shut off of water. (tenant rights)
- Research for construction fund and re-stabilization fund.

8. **SIGNING OF DOCUMENTS:** At 7:25 p.m. documents were signed by the commissioners in the public hearing format.

9. **EXECUTIVE SESSION:** An executive session was called at 7:30 p.m. to discuss with legal counsel representing the agency matters relating to agency enforcement actions, or to discuss with legal counsel representing the agency litigation or potential litigation to which the agency, the governing body, or a member acting in an official capacity is, or is likely to become, a party when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to the agency. No action will be taken. Meeting to be reconvened at 7:40 p.m.

At 7:40 p.m. Commissioner Kenneth Collins came out of Executive Session to announce to the public an extension of time (10 minutes) was needed.

The **special** meeting of the Jefferson County PUD reconvened at 7:50 p.m. with no action taken.

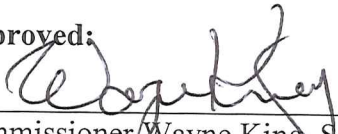
10. **ADJOURNMENT:**

MOTION: Commissioner Jeff Randall made a motion to adjourn the December 12, 2017, **regular** meeting of the Jefferson County PUD and Commissioner Wayne King seconded that motion. Motion carried unanimously.

Meeting was adjourned at 7:51 p.m.

Minutes prepared by
Cammy Brown, PUD Recorder

Approved:




Commissioner Wayne King, Secretary

Date

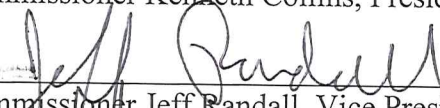
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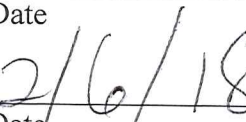
Commissioner Kenneth Collins, President



Date



Commissioner Jeff Randall, Vice President



Date

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