



Board of Commissioners Meeting
July 3, 2018- 5:00 PM
63 Four Corners Rd. Jefferson County Transit

PUD REGULAR BOARD MEETING

1. CALL TO ORDER
2. AGENDA APPROVAL
3. GENERAL PUBLIC COMMENT: This public comment period is for any items not specifically listed on the current Agenda or for items listed on the Consent Agenda. The Chair will also permit public comments on the other agenda items as they come up during the meeting. The Chair may place time limits on public comments to allow the meeting to be conducted in an efficient and orderly manner. **(15 min)**
4. APPROVAL AND ADOPTION OF THE CONSENT AGENDA: Items listed below have been distributed to the Commissioners in advance for study and will be enacted by one motion. If separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Agenda, at a specific time, at the request of any of the Commissioners.
 - 4.1 APPROVAL OF MINUTES
 - Draft Regular BOC Minutes June 19, 2018
 - 4.2 CFO REPORT AND APPROVAL OF VOUCHERS
 - 4.2.1 Voucher Certification form with supporting warrant register and payroll
 - 4.2.2 BOC Approval of Voucher approval form
 - 4.3 RESOLUTIONS
 - 4.4 ACTION ITEMS
 - 4.4.1 Resolution 2018-020 Late fees
 - 4.4.2 Motion to approve Chimacum Creek Estate Bid Award
 - 4.5 PUD Calendar of upcoming meetings – not requiring Board actionEND OF CONSENT AGENDA
5. COMMISSIONER REPORTS
6. GENERAL MANAGER REPORT/FUTURE ITEMS (Information Only)
7. ACTION ITEMS REQUIRING BOARD DISCUSSION
 - 7.1 2019 Budget Draft Strategic Objectives
8. SIGNING OF DOCUMENTS
9. EXECUTIVE SESSION: RCW 42.30.110 to discuss potential litigation to which the PUD is likely to become a party.
10. ADJOURNMENT



PUBLIC UTILITY DISTRICT NO. 1
of Jefferson County

June 19, 2018

**Board of Commissioners
Regular Meeting**

Draft 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. at the Jefferson Transit Conference Room, at 63 Four Corners Road, Port Townsend, Washington, 98368.
Present:

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

Larry Dunbar, General Manager
Joel Paisner, General Counsel (phone conference)
Kevin Streett, Assistant General Manager
Will O'Donnell, Communications Manager
Debbie Lund, Human Resources Manager
Annette Johnson, Executive Assistant and Records Administrator

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:

MOTION: Commissioner Kenneth Collins moved to approve the agenda. This motion was seconded by Commissioner Wayne King. Motion carried unanimously.

3. GENERAL PUBLIC COMMENT: The following topics were discussed:

- Chimacum School District’s PUD bill.
- Chimacum School District Replacement Levy Request for Capital Projects and Technology.
- 4.3.3 Acceptance of Public Comment Handouts.
- 4.4.1 The CAB update. Next update is July 9 CAB meeting.

4. APPROVAL AND ADOPTION OF THE CONSENT AGENDA:

Commissioner Wayne King requested that Consent Agenda Item 4.3.1 be pulled off of the consent agenda and inserted under Action Items Requiring Board Discussion.

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

4.1 APPROVAL OF MINUTES: Draft Regular BOC Minutes June 5, 2018.

4.2.1 Voucher Certification form with supporting warrant register and payroll.

4.2.2 BOC Approval of Voucher Approval form.

4.2.3 Financial report for May 2018.

VOUCHER CLAIM FORMS FOR INVOICES PAID:

WARRANTS	AMOUNT	DATE
Accounts Payable: # 117072 to # 117112	\$ 129,339.56	4/26/2018
Accounts Payable: # 117113 to # 117165	\$ 319,802.82	5/03/2018
Accounts Payable: # 117166 to # 117246	\$ 193,209.06	5/10/2018
Accounts Payable: # 117247 to # 117295	\$ 409,515.54	5/17/2018
Accounts Payable: # 117296 to # 117372	\$ 415,125.40	5/24/2018
Payroll Checks: # 70446 to # 70450	\$ 8,757.73	5/04/2018

Payroll Checks: # 70451 to # 70455	\$ 8,678.95	5/18/2018
Payroll Direct Deposit:	\$ 90,958.10	5/04/2018
Payroll Direct Deposit:	\$ 97,028.62	5/18/2018
TOTAL INVOICES PAID	\$1,672,415.78	
WIRE TRANSFERS PAID	AMOUNT	DATE
BPA	\$1,589,847.00	5/11/2018
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GRAND TOTAL	\$3,262,262.78	

VOIDED WARRANTS

117120	\$1,589,847.00
117127	\$ 12,642.91
117176	\$ 800.00

4.3 ACTION ITEMS:

- 4.3.1 Resolution to submit broadband planning grant application 2018-016. Removed from Consent Agenda and moved to Items Requiring Board Discussion.
- 4.3.2 Unused solar energy credits.
- 4.3.3 Acceptance of public comment handouts.
- 4.3.4 Personnel Policy Approval At Will.
- 4.3.5 Write-off accounts summary.

4.4 CAB UPDATE:

- 4.4.1 June CAB update.

4.5 STAFF REPORTS not requiring Board action.

- 4.5.1 Employee assistance plan selection.

4.6 PUD Calendar of upcoming meetings – not requiring Board action.

END OF CONSENT AGENDA

5. COMMISSIONER’S REPORTS: All three Commissioners gave reports as follows:

Commissioner Wayne King:

06-13-18 Attended NoaNet (Northwest Open Access Network) Board Meeting on line. Some points:

- Fiber lines over the years have become brittle.
- NoaNet has to be careful that that revenue is protected. You can't just borrow it or use it. It has to stay there.
- Fiber will last 50 years but the technology won't. The technology will outlast the fiber.

Commissioner Jeff Randall:

06-11-18 Attended CAB Meeting on June 11, 2018. Full agenda. CAB is looking at policy issues as they come to the BOC. That's a little different responsibility than the CAB has had in the past. The CAB is adjusting to that change.

Commissioner Kenneth Collins:

06-07-18 Attended the PURMS (Public Utility Risk Management Services) meeting. This is the self-insurance program that the majority public utility districts in the state are involved with. The PUD is, in effect, self-insured.

06-08-18 Met with the General Manager and Commissioner Collins will also meet again with him on June 22nd.

NOTE: There was a request made by a commissioner that more information be noted in the minutes as to what each commissioner reports on.

6. GENERAL MANAGER REPORT/FUTURE ITEMS (Information only).

General Manager Larry Dunbar gave his report.

- General Manager Larry Dunbar requested the BOC approve an excused absence for Commissioner Wayne King for the July 3, 2018 meeting.

MOTION: Commissioner Kenneth Collins made a motion that the BOC approve the excused absence for Commissioner Wayne King for the July 3, 2018, BOC meeting. Commissioner Jeff Randall seconded the motion. Motion carried unanimously.

GENERAL MANGER REPORT CONTINUED:

- An event (head shaving) was initiated by an employee in support of another employee that has lung cancer. The PUD may be doing additional things in the future.
- Parliamentary Procedure Training. Training would be 8am to 1pm on August 8, 9 or 10 or August 13 or 14.
- The PUD received a notice of Public Utility District Commission Dollar Threshold Adjustment from the state. The new dollar thresholds take effect July 1, 2018.
- Recruitment is under way for the Chief Financial Officer position.
- Organizational changes are under way, including an internal promotional opportunity for a Customer Service Manager, moving the Resource Manager to Customer Service and moving the GIS Specialist to Information Technology.
- Telecommunications and computer network planned outages. There were some unanticipated events that occurred as a result of that.
- The PUD held a quarterly all employee appreciation meeting last week.
- The PUD is waiting to hear from the State Department of Revenue on ways it can streamline its conservation rebate payments.
- Staff prepared a photo directory of all PUD employees.
- Low income participation is up, not down.
- Chimacum School District portable building – no purchase.
- Future items that the PUD is working on right now will be coming through the CAB eventually and back to the Commission.

FUTURE ITEMS:

- The water system plan is underway,
- The PUD is working with HDR and the PUD has recently been in discussions with them on a contract change order for some supplemental services.
- The PUD is still working on requests for proposals for real estate services and annual financial audit services.
- Strategic objectives for the 2019 budget.

NOTE: At this point in the report, the General Manager was requested to look into serving the needs of our customers regarding sidewalk access at the new operations

location and connection with transit.

- NISC (National Information Solutions Cooperative) software is going to be operating new paperless service application so that customers can remotely request a new service at an existing location without coming down to the office. This will be available in July. The PUD staff will need training.

7. ACTION ITEMS REQUIRING BOARD DISCUSSION:

4.3.1 Resolution to submit broadband planning grant application 2018-016: The question was raised about what was the PUD planning for?

The grant is for the award of funding from a successful CERB Rural Broadband grant applicant. The grant will pay up to 75% of the cost of creating a strategic plan for broadband and telecom in a rural service territory and county.

Some public comment and discussion.

A suggestion was made to apply for the Distressed County Infrastructure Fund.

MOTION: Commissioner Kenneth Collins made a motion that the Jefferson County Public Utility District's Board of Commissioners approve Resolution 2018-016 to submit a Broadband Planning Grant Application. Commissioner Wayne King seconded the motion. Motion carried unanimously.

7.1 Resolution to declare public works emergency at Coyle water system 2018-019.

General Manager Larry Dunbar presented some background and planning information on Resolution 2018-019.

MOTION: Commissioner Wayne King moved that Resolution 2018-019 to declare public works emergency for the Coyle water system be approved. Commissioner Kenneth Collins seconded that motion. Motion carried unanimously.

The PUD has a fragile water system that has fire hydrants but the fire hydrants literally have bags over them. If the PUD had a fire situation, the fire department has been told in the past that they can't use these. Now the PUD is rectifying that. The PUD is letting the fire department know they can use them and the PUD is going as expeditiously as possible to make the repairs so that they are fully functional. The PUD did not design the system. The PUD did not install it.

The PUD agreed to take it over.

7.2 Late Fees. The CAB (Citizens' Advisory Board) has provided its recommendation and staff is fully supportive of that recommendation to resume the late charges. By resuming the late charges, the PUD actually reduces some of their customer service staff's burden because they are actually utilizing the software in the manner that it was intended to be used. The CAB is proposing a \$5.00 late charge. CAB also recommends the BOC authorize the change to the schedule of deposits and charges to add the late charge fee as a new fee.

Between now and October, the PUD will be communicating through the newsletter to let the customers know about the resumption of late fees. The PUD staff will also going be communicating directly with the customers that typically are late in their payments. This will limit the surprises. Staff was directed to bring a modified resolution to the next Board of Commissioners meeting for approval.

No public comment.

7.3 Resolution for Surplus Property 2018-017. Larry presented background information on the resolution.

No public comment.

MOTION: Commissioner Kenneth Collins made a motion to approve Resolution 2018-017 which withdraws 2018-014. Commissioner Wayne King seconded the motion. Motion carried unanimously.

7.4 Resolution Sewer Rates Increase 2018-018. Assistant General Manager Kevin Streett presented background information on the resolution.

There was some public comment and discussion.

MOTION: Commissioner Kenneth Collins made a motion to approve Resolution No. 2018-018. Commissioner Wayne King seconded the motion. Motion passed unanimously.

7.5 Selection of Salary Survey Comparables. Debbie Lund, Human Resources Manager, gave a brief summary on the salary survey. A representative from Northwest Management Consulting spoke to the BOC about establishing some comparable agencies to go to for salary data and the process used to get this information. The General Manager is looking for guidance from the BOC on the comparables that Northwest Management Consulting has identified before the next step is taken in getting the salary comparable information. It was

VOUCHER CERTIFICATION FORM

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just and due obligation against Public Utility District No. 1 of Jefferson County, and that I am authorized to authenticate and certify to said claims, and I, the undersigned, do hereby certify under penalty of perjury that claims for employee and commissioner expenses are just and due against Public Utility District No. 1 of Jefferson County.

Signed: 
 Tammy Lehman, interim Financial Director / District Auditor

6/25/18
 Date

VOUCHER CLAIM FORMS FOR INVOICES PAID:

	WARRANTS		AMOUNT	DATE
Accounts Payable:	# 117459 to # 117489	\$	286,130.63	6/14/2018
Accounts Payable:	# 117490 to # 117543	\$	211,486.35	6/21/2018
Payroll Checks:	# 70461 to # 70465	\$	8,788.93	6/15/2018
Payroll Direct Deposit:		\$	102,588.23	6/15/2018
TOTAL INVOICES PAID			\$608,994.14	

	WIRE TRANSFERS PAID		AMOUNT	DATE
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	GRAND TOTAL		\$608,994.14	
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VOIDED WARRANTS				
	117258	\$	163.67	

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Accounts Payable Check Register

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
117258 05/17/2018	CHK	9998	STACY HARRELL	Credit Balance Refund	163.67 VOID
117459 06/14/2018	CHK	10012	ALTEC INDUSTRIES, INC	RUBBER GLOVE BAG QTY4	200.56
117460 06/14/2018	CHK	10481	AMAZON	BELT CLIP FOR GPS UNIT	10.94
				GARMIN GLO GPS UNIT	86.33
				USB TO 1.77MM CHRГ CABLE PACK OF 2	18.29
				BELT CLIP FOR GPS UNIT	2.74
				GARMIN GLO GPS UNIT	21.58
				USB TO 1.77MM CHRГ CABLE PACK OF 2	4.57
				USB ANKER 4-PORT	10.78
				WINDOWS 7 PROF 64-BIT	86.43
				WINDOWS 7 PROF 64-BIT	9.60
Total for Check/Tran - 117460:					251.26
117461 06/14/2018	CHK	10016	ASPLUNDH TREE EXPERT CO	TREE TRIMMING W/E 05/19/18	1,482.00
117462 06/14/2018	CHK	9998	JAMES A BERGH II	Credit Balance Refund	194.05
117463 06/14/2018	CHK	9998	PETRA CHONCZYNSKI	Credit Balance Refund	144.12
117464 06/14/2018	CHK	10051	CITY OF PORT TOWNSEND-UTILITY	KEARNEY SUBST - MAY 2018	167.25
117465 06/14/2018	CHK	10409	CLEARRESULT CONSULTING INC	REF# S4-1017-067 LIGHTING - APR 2018	3,374.19
117466 06/14/2018	CHK	10573	DANO'S SEPTIC SERVICE	PUMPED SEPTIC - 90 FAITH WAY 5/22/18	1,194.75
				PUMPED SEPTIC - 90 FAITH WAY 5/29/18	933.40
Total for Check/Tran - 117466:					2,128.15
117467 06/14/2018	CHK	10551	DAY WIRELESS SYSTEMS	RADIOS-JUNE INV	897.95
117468 06/14/2018	CHK	10067	DING DOCTOR GLASS SERVICES	NEW WINDSHIELD# 101-ROCK CRACK	592.16
117469 06/14/2018	CHK	10094	GENERAL PACIFIC, INC	SOLVENT WIPES	316.01
				GROUND ROD CLAMP	126.44
				FIBER OPTIC CABLE	24,267.27
				METER COVER PLATE-PLASTIC UNIVERSAL	66.27
				METER RING-LOCKING, SCREW TYPE	446.90

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				REGULATOR PLATFORM-18'	3,077.07
				REGULATOR PLATFORM SWITCH MOUNTS-18'	665.99
				BOLT MACH 5/8 X 2	168.95
				Total for Check/Tran - 117469:	29,134.90
117470 06/14/2018	CHK	10281	JEFFCO EFTPS	941 PAYROLL TAX FOR PR 6/15/18 MEDICARE	4,926.92
				941 PAYROLL TAX FOR PR 6/15/18 FICA	21,066.96
				941 PAYROLL TAX FOR PR 6/15/18 FEDERAL	18,159.91
				Total for Check/Tran - 117470:	44,153.79
117471 06/14/2018	CHK	10532	JEFFERSON COUNTY PUD PAYROLL AC	PAYROLL DEPOSIT FOR 6/15/2018 CHECKS	8,788.93
				PAYROLL DEPOSIT FOR 6/15/2018 DIR DEP	102,588.23
				Total for Check/Tran - 117471:	111,377.16
117472 06/14/2018	CHK	10313	MICHELS POWER	HOWARD STREET LIGHT INSTALL W/O 17175	1,791.10
				DOCK CREW MAINTENANCE THRU 8/31/2017	990.21
				URD MAINTENANCE THRU 8/31/17	89.77
				ROSECRANS ST LIGHT# 17264	134.67
				ROSECRANS ST LIGHT# 17264	14.96
				Total for Check/Tran - 117472:	3,020.71
117473 06/14/2018	CHK	10624	MYCOFF, FRY & PROUSE LLC	RECRUITMENT SVC - CFO #1	12,000.00
				RECRUITMENT SVC - CFO #1	3,000.00
				Total for Check/Tran - 117473:	15,000.00
117474 06/14/2018	CHK	10418	N&L LINE EQUIPMENT	ANNUAL HOTSTICK TESTING	423.98
117475 06/14/2018	CHK	10163	NOR'WEST CUSTODIAL SERVICES, INC.	CUSTODIAL SVC - MAY 2018	749.50
				CUSTODIAL SVC - MAY 2018	510.40
				CUSTODIAL SVC - MAY 2018	127.60
				Total for Check/Tran - 117475:	1,387.50
117476 06/14/2018	CHK	10167	OFFICE DEPOT	OFFICE SUPPLIES - OPERATIONS	28.22
				OFFICE SUPPLIES - OPERATIONS	156.94
				OFFICE SUPPLIES - OPERATIONS	85.42

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				OFFICE SUPPLIES - ADMIN	14.17
				OFFICE SUPPLIES - ADMIN	1.57
				OFFICE SUPPLIES - OPERATIONS	47.24
				OFFICE SUPPLIES - ADMIN	23.92
				OFFICE SUPPLIES - IT	32.43
				OFFICE SUPPLIES - RM	25.52
				OFFICE SUPPLIES - ADMIN	5.98
				OFFICE SUPPLIES - IT	8.11
				OFFICE SUPPLIES - RM	6.38
				OFFICE SUPPLIES - OPERATIONS	7.73
				OFFICE SUPPLIES - ANNEX	63.46
				OFFICE SUPPLIES - ANNEX	4.05
				OFFICE SUPPLIES - ANNEX	4.64
				OFFICE SUPPLIES - ANNEX	0.30
				OFFICE SUPPLIES - OPERATIONS	100.77
				OFFICE SUPPLIES - OPERATIONS	340.18
				OFFICE SUPPLIES - OPERATIONS	205.38
				Total for Check/Tran - 117476:	1,162.41
117477	06/14/2018	CHK	10169	OLYCAP	
				OVER PMT ON CK#114742 #49130 NOT VALID	205.00
				PWRBST/OLYCAP MAY 2018	1,157.98
				Total for Check/Tran - 117477:	1,362.98
117478	06/14/2018	CHK	10170	OLYMPIC EQUIPMENT RENTALS	
				SHOP - BUNGEE CORDS & RUBBER STRAPS	22.58
				SHOP - SF16 MOTOR TRE&STP VINYL PROTECT	16.87
				FLOOR MATS, BROOM & MOWER REPAIR	48.03
				FLOOR MATS, BROOM & MOWER REPAIR	32.69
				FLOOR MATS, BROOM & MOWER REPAIR	119.89
				EXCAVATOR CAT - RNTL LYTER ST & GARNER	182.15
				EXCAVATOR CAT - RNTL LYTER ST & GARNER	182.15
				BLUE FLAG TAPE	4.34
				EXCAVATOR CAT - RNTL LEAK 1101 CHIMACUM	288.85

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				RAIN-X WIPER 22" FOR VEH# 207	23.96
Total for Check/Tran - 117478:					921.51
117479 06/14/2018	CHK	10549	PENINSULA LEGAL SECRETARIAL SER	TRANSCRIPTIION SVC 4/26-6/07/18	604.80
				TRANSCRIPTIION SVC 4/26-6/07/18	151.20
Total for Check/Tran - 117479:					756.00
117480 06/14/2018	CHK	10188	PLATT ELECTRIC SUPPLY	SIEMENS 25 AMP 2 POLE BREAKER	11.43
				THHN STRANDED COPPER WIRE-BLACK	102.61
				THHN STRANDED COPPER WIRE-GREEN	102.60
Total for Check/Tran - 117480:					216.64
117481 06/14/2018	CHK	10471	RICOH USA , INC.- DALLAS	ANNEX-COPIER RENT 6/19-7/18/18	57.40
				ANNEX-COPIER RENT 6/19-7/18/18	32.56
				ANNEX-COPIER RENT 6/19-7/18/18	3.66
				ANNEX-COPIER RENT 6/19-7/18/18	8.14
Total for Check/Tran - 117481:					101.76
117482 06/14/2018	CHK	10210	RICOH USA, INC	PRINTING IMAGES 4 CRNRS MAY-18	351.11
				PRINTING IMAGES 4 CRNRS MAY-18	87.78
				PRINTING IMAGES 230 CHIMACUM RD MAY-18	320.58
				PRINTING IMAGES 230 CHIMACUM RD MAY-18	80.15
Total for Check/Tran - 117482:					839.62
117483 06/14/2018	CHK	9998	JESSICA TAFT	Credit Balance Refund	180.12
117484 06/14/2018	CHK	10486	UTILIBIZ SOLUTIONS	PROF SVC 4/29-5/31/18 T.LEHMAN	26,063.87
				PROF SVC 4/29-5/31/18 T.LEHMAN	2,895.99
Total for Check/Tran - 117484:					28,959.86
117485 06/14/2018	CHK	10256	UTILITIES UNDERGROUND LOCATION	LOCATES - MAY 2018	67.08
				LOCATES & MODEM TICKET DEL - MAY 2018	80.08
Total for Check/Tran - 117485:					147.16
117486 06/14/2018	CHK	10260	WA STATE DEFERRED COMPENSATION	PL DEFERRED COMP EE 6/15/18	9,067.71
				PL DEFERRED COMP ER 6/15/18	3,429.05

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
Total for Check/Tran - 117486:					12,496.76
117487 06/14/2018	CHK	10267	WA STATE SUPPORT REGISTRY	PL CHILD SUPPORT EE 6/15/18	976.99
117488 06/14/2018	CHK	10569	WAYNE D. ENTERPRISES, INC.	CARHARTT FR DUCK BIB OVERALL-UNLINED	-11.54
				CARHARTT FR DUCK BIB OVERALL-UNLINED	139.71
Total for Check/Tran - 117488:					128.17
117489 06/14/2018	CHK	10271	WESCO RECEIVABLES CORP	OKON 160-23-308 4/0 WIRE REELS	23,714.39
				CLAMP GROUND ROD-5/8"-1/0-#8	142.79
				POLE TOP PINS QTY10	93.74
Total for Check/Tran - 117489:					23,950.92
117490 06/21/2018	CHK	10004	A+ EQUIPMENT RENTALS	AIR COMPRESSOR RNTL FOR RAINER ST	95.65
117491 06/21/2018	CHK	10006	AFLAC	AFLAC BILL MAY 2018	247.14
117492 06/21/2018	CHK	10012	ALTEC INDUSTRIES, INC	REPLACE BAD HOSES,SENSOR&BOOM REST# 123	1,449.08
				URD CABLE PULLING CONTROL VALVE	129.71
Total for Check/Tran - 117492:					1,578.79
117493 06/21/2018	CHK	10041	CDW GOVERNMENT	AUTOCAD LT 2019 1YR LIC 5/18/18-5/17/19	402.01
				PLANTRONICS FIT KIT FOR CS 540	24.16
				PLANTRONICS FIT KIT FOR CS 540	2.68
				LOGITECH WIRELESS COMBO MK270	22.89
				LOGITECH WIRELESS COMBO MK270	18.31
				LOGITECH WIRELESS COMBO MK270	4.58
				CAT6 PATCH CABLE 1 FOOT	4.51
				CAT6 PATCH CABLE 2 FOOT	12.07
				CAT6 PATCH CABLE 4 FOOT	75.52
				CAT6 PATCH CABLE 1 FOOT	1.13
				CAT6 PATCH CABLE 2 FOOT	3.02
				CAT6 PATCH CABLE 4 FOOT	18.88
Total for Check/Tran - 117493:					589.76
117494 06/21/2018	CHK	10043	CENTRAL WELDING SUPPLY	255CF NITROGEN	29.84

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
117495 06/21/2018	CHK	10053	COMPUNET, INC	GLC-BX-D-COM CISCO COMPATIBLE 1000BASE	148.24
				GLC-BX-U-COM SICO COMPATIBLE 1000BASE	148.24
				GLC-BX-D-COM CISCO COMPATIBLE 1000BASE	37.06
				GLC-BX-U-COM SICO COMPATIBLE 1000BASE	37.06
Total for Check/Tran - 117495:					370.60
117496 06/21/2018	CHK	10573	DANO'S SEPTIC SERVICE	PUMPED SEPTIC - 52 BLUFFS LN 11/07/17	391.31
				PUMPED SEPTIC - 20 U BLUFFS DR 11/07/17	373.36
				PUMPED SEPTIC - 60 U BLUFFS DR 11/07/17	391.31
				PUMPED SEPTIC - 21 KENNEDY RD 11/07/17	373.36
Total for Check/Tran - 117496:					1,529.34
117497 06/21/2018	CHK	10069	DM DISPOSAL CO INC	DISPOSAL 4CRNRS MAY-18	38.37
				DISPOSAL 4CRNRS MAY-18	38.37
Total for Check/Tran - 117497:					76.74
117498 06/21/2018	CHK	10078	ESCI	ESCI SAFTEY TRAINING - JUN 2018	1,746.00
117499 06/21/2018	CHK	10085	FASTENAL	WAREHOUSE-9V BATTERIES, SPLICE CONNECTOR	73.01
				RECIPROCATING SAW BLADES QTY10 & BATTERI	257.93
Total for Check/Tran - 117499:					330.94
117500 06/21/2018	CHK	10682	FIRST FEDERAL	BECKETT PT LUD #15 PAYOFF BALANCE	14.67
117501 06/21/2018	CHK	10090	FREDERICKSON ELECTRIC, INC	CONVERT METER BASE OH-URD-JEFFERSON ST	565.96
117502 06/21/2018	CHK	10094	GENERAL PACIFIC, INC	TRAN 1P PAD 75KVA 120/240,7200/12470GRDY	16,271.52
				LOCKING METER RINGS	205.19
				METER 2S-CL200 PRG	5,179.68
Total for Check/Tran - 117502:					21,656.39
117503 06/21/2018	CHK	10098	GRAINGER	ARC FLASH FACESHIELDS	908.94
117504 06/21/2018	CHK	10104	HADLOCK BUILDING SUPPLY, INC.	FIRE HYDRANT - PAINT	38.14
				FIRE HYDRANT - PAINT AND CABLE TIES	89.66
				GARDINER - BALL VALVE	26.15
				GARDINER - DRAIN VALVE, FENCE TIES, FENC	33.86

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				TREATMENT PLANT - FLUORESCENT TUBES	45.56
				BECKETT PT N - 1316X1-3/4 SS CLAMP	10.62
				SHOP - GLOVEPLUS BLACK NITRILE L	16.34
				BECKETT PT N - BRONZE COUPLING 1 1/4"	28.32
				Total for Check/Tran - 117504:	288.65
117505 06/21/2018	CHK	9998	STACY HARRELL	Credit Balance Refund	163.67
117506 06/21/2018	CHK	10110	HENERY HARDWARE	RPLCMNT PUMP FOR REGULATORS	11.98
				FASTENERS	3.23
				SPRAY PAINT FOR TRUCK TOOLS	6.09
				Total for Check/Tran - 117506:	21.30
117507 06/21/2018	CHK	10111	HIGHWAY SPECIALTIES LLC	CONES 28" W/ REFLECTIVE COLLARS QTY12	228.90
117508 06/21/2018	CHK	10518	J HARLEN COMPANY	GLOVE BAG-CANVAS	-5.24
				GLOVE BAG-CANVAS	63.49
				Total for Check/Tran - 117508:	58.25
117509 06/21/2018	CHK	10128	JEFFERSON COUNTY TREASURER	B&O TAX MAY 2018	110,963.88
117510 06/21/2018	CHK	10129	JIFFY LUBE	OIL CHANGE FOR VEH# 211	142.20
				OIL CHANGE FOR VEH# 119	79.20
				Total for Check/Tran - 117510:	221.40
117511 06/21/2018	CHK	10439	LAW OFFICE OF RICHARD L HUGHES P	PROFESSIONAL SERVICES: MAY 2018	39.00
				PROFESSIONAL SERVICES: MAY 2018	273.00
				PROFESSIONAL SERVICES: MAY 2018	9.75
				PROFESSIONAL SERVICES: MAY 2018	68.25
				Total for Check/Tran - 117511:	390.00
117512 06/21/2018	CHK	10134	LE MAY MOBILE SHREDDING	SHRED 230 CHIMACUM MAY-18	9.18
				SHRED 230 CHIMACUM MAY-18	21.42
				SHRED 230 CHIMACUM MAY-18	1.02
				SHRED 230 CHIMACUM MAY-18	2.38
				SHRED 4CRNR MAY-18	23.55

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				SHRED 4CRNR MAY-18	37.49
				SHRED 4CRNR MAY-18	14.83
				SHRED 4CRNR MAY-18	11.34
				SHRED 4CRNR MAY-18	5.43
				SHRED 4CRNR MAY-18	4.26
				Total for Check/Tran - 117512:	130.90
117513 06/21/2018	CHK	10616	MCMaster-CARR SUPPLY COMPANY	RUBBER GROMMET	-1.48
				SBR RUBBER PUSH IN GROMMET	17.87
				Total for Check/Tran - 117513:	16.39
117514 06/21/2018	CHK	10153	MURREY'S DISPOSAL CO., INC.	DISPOSAL 230 CHIMACUM MAY-18	64.48
				DISPOSAL 230 CHIMACUM MAY-18	7.17
				DISPOSAL 4CRNR 2YD CONT 1XWK MAY-18	100.01
				DISPOSAL 4CRNR 2YD CONT 1XWK MAY-18	50.01
				DISPOSAL 4CRNR 2YD CONT 1XWK MAY-18	42.00
				DISPOSAL 4CRNR 2YD CONT 1XWK MAY-18	8.00
				DISPOSAL 4CRNR 20YD ROLL OFF RNTL MAY-18	451.68
				DISPOSAL 4CRNR 20YD ROLL OFF RNTL MAY-18	225.85
				DISPOSAL 4CRNR 20YD ROLL OFF RNTL MAY-18	189.71
				DISPOSAL 4CRNR 20YD ROLL OFF RNTL MAY-18	36.14
				DISPOSAL 211 CHIMACUM MAY-18	28.84
				DISPOSAL 211 CHIMACUM MAY-18	16.36
				DISPOSAL 211 CHIMACUM MAY-18	1.84
				DISPOSAL 211 CHIMACUM MAY-18	4.09
				Total for Check/Tran - 117514:	1,226.18
117515 06/21/2018	CHK	10418	N&L LINE EQUIPMENT	ANNUAL HOTSTICK TESTING 5/24/18	413.45
				ANNUAL HOTSTICK REFINISH/TEST 5/24/18	796.22
				ANNUAL GROUND TESTING 5/31/18	59.96
				ANNUAL GROUND TESTING 5/24/18	675.80
				Total for Check/Tran - 117515:	1,945.43

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
117516 06/21/2018	CHK	10328	NETWORK FLEET, INC	VEH GPS ELEC - MAY 2018	331.37
				VEH GPS WATER - MAY 2018	144.97
Total for Check/Tran - 117516:					476.34
117517 06/21/2018	CHK	10309	NISC	AMS INVOICE MAY 2018	2,404.76
				AMS INVOICE MAY 2018	5,158.64
				AMS INVOICE MAY 2018	826.32
				AMS INVOICE MAY 2018	737.87
				AMS INVOICE MAY 2018	601.19
				AMS INVOICE MAY 2018	1,289.66
				AMS INVOICE MAY 2018	206.59
				AMS INVOICE MAY 2018	184.47
				RECURRING INVOICE MAY 2018	1,080.05
				RECURRING INVOICE MAY 2018	1,656.82
				RECURRING INVOICE MAY 2018	487.86
				RECURRING INVOICE MAY 2018	487.86
				RECURRING INVOICE MAY 2018	8,737.64
				RECURRING INVOICE MAY 2018	565.30
				RECURRING INVOICE MAY 2018	53.34
				RECURRING INVOICE MAY 2018	1,601.69
				RECURRING INVOICE MAY 2018	173.31
				RECURRING INVOICE MAY 2018	10.16
				MISC MAY 2018	265.36
				MISC MAY 2018	124.31
				MISC MAY 2018	66.34
				MISC MAY 2018	31.08
Total for Check/Tran - 117517:					26,750.62
117518 06/21/2018	CHK	10161	NORTHWEST LINEMAN COLLEGE	STCP DISTANCE PROGRAM TEST COOPER.B	10.00
				STCP DISTANCE PROGRAM TEST ONL COOPER.B	15.00
Total for Check/Tran - 117518:					25.00
117519 06/21/2018	CHK	10520	NRECA-NATIONAL RURAL ELEC COOP	CFO RECRUITMENT BACKGROUND CHECKS/AD	496.62

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				CFO RECRUITMENT CANDIATE EXPENSES	1,024.75
				CFO RECRUITMENT PROF FEE	12,121.58
				CFO RECRUITMENT BACKGROUND CHECKS/AD	124.16
				CFO RECRUITMENT CANDIATE EXPENSES	256.19
				CFO RECRUITMENT PROF FEE	3,030.40
				Total for Check/Tran - 117519:	17,053.70
117520 06/21/2018	CHK	10663	NW MANAGEMENT CONSULTING, LLC	NON-REP SALARY SURVEY REVIEW MAY-2018	1,992.00
				NON-REP SALARY SURVEY REVIEW MAY-2018	498.00
				Total for Check/Tran - 117520:	2,490.00
117521 06/21/2018	CHK	10170	OLYMPIC EQUIPMENT RENTALS	TRUCK #102 - 2 IN 1 FILE GUIDE, PLANO TA	69.68
				CORDLESS GRINDER DEWALT	381.49
				KALA PT WATER - WHEEL	21.79
				BRUSH PAINT POLES FOR WO#29001	27.99
				Total for Check/Tran - 117521:	500.95
117522 06/21/2018	CHK	10534	ONEPATH SYSTEMS, LLC	WEB HOSTING - SUPPORT JUN 2018	264.00
				WEB HOSTING - SUPPORT JUN 2018	66.00
				Total for Check/Tran - 117522:	330.00
117523 06/21/2018	CHK	10181	PENINSULA PEST CONTROL	GEN PEST SVC BI-ANNUAL KALA PT PUMPH	38.15
				PEST SVC QRTLY-BISHOP HIL CIRCLE PUMPH	49.05
				CARPENTER ANT SVC-PUMP H SKYWATER DR	54.50
				PEST SVC QRTLY-GARDINER PUMP H Q2-2018	49.05
				PEST SVC QRTLY-20 SUNSHINE RD Q2 2018	54.50
				RODENT SVC MHTLY FOUR CRNRS JUN 2018	81.75
				Total for Check/Tran - 117523:	327.00
117524 06/21/2018	CHK	10185	PITNEY BOWES GLOBAL	MAILSYSTM LEASE 3/30-6/29/18	159.42
				MAILSYSTM LEASE 3/30-6/29/18	39.85
				Total for Check/Tran - 117524:	199.27
117525 06/21/2018	CHK	10193	PORT TOWNSEND LEADER	EMPL SVC SPECIAL PROJECTS 5/30/18	31.75
				SMALL WORKS ROSTER 5/30/18	45.90

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				MAGAZINE 2016 IRE 1/4PG 5/02/18	142.40
				SMALL WORKS ROSTER 5/30/18	11.48
				MAGAZINE 2016 IRE 1/4PG 5/02/18	35.60
Total for Check/Tran - 117525:					267.13
117526 06/21/2018	CHK	10589	RACK SOLUTIONS INC	RELAY RACK 45U BLACK-12-24 THREADS 23" W	486.12
				RELAY RACK 45U BLACK-12-24 THREADS 23" W	-40.14
Total for Check/Tran - 117526:					445.98
117527 06/21/2018	CHK	10210	RICOH USA, INC	PRINTING IMAGES ANNEX MAY-18	94.55
				PRINTING IMAGES ANNEX MAY-18	53.65
				PRINTING IMAGES ANNEX MAY-18	6.04
				PRINTING IMAGES ANNEX MAY-18	13.41
				PRINTING IMAGES 4CRNRS(MODULAR) MAY-18	40.42
				PRINTING IMAGES 4CRNRS(MODULAR) MAY-18	10.10
Total for Check/Tran - 117527:					218.17
117528 06/21/2018	CHK	10216	SECURITY SERVICES NW, INC.	ANSWERING SVC - JUN 2018	1,945.98
				ANSWERING SVC - JUN 2018	1,945.98
				ANSWERING SVC - JUN 2018	972.98
Total for Check/Tran - 117528:					4,864.94
117529 06/21/2018	CHK	10219	SHOLD EXCAVATING INC	EXCAVATOR;L&M - CASCARA E QUIL 5/17/18	1,301.90
117530 06/21/2018	CHK	10475	SMARSH INC	ARCHIVING - MAY 2018	529.40
				ARCHIVING - MAY 2018	132.35
Total for Check/Tran - 117530:					661.75
117531 06/21/2018	CHK	10226	SOS PRINTING	ENGINEER COPIES FILE TRNSFR FOR ARCHITEC	38.15
				DON'T GET HOOKED POSTERS	12.17
				DON'T GET HOOKED POSTERS	3.04
Total for Check/Tran - 117531:					53.36
117532 06/21/2018	CHK	10227	SOUND PUBLISHING INC	SPECIAL PROJECTS COORDINATOR AD	78.10
117533 06/21/2018	CHK	10564	SOUTHEASTERN SECURITY CONSULTA	BACKGROUND CHECK FOR MAY 2018	14.80

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				BACKGROUND CHECK FOR MAY 2018	3.70
				Total for Check/Tran - 117533:	18.50
117534 06/21/2018	CHK	10249	SPECTRA LABORATORIES-KITSAP LLC	TESTING: SOC SHORT PEST PT 4/26/18	286.12
				TESTING: COLI/ECOLI QUIMPER MO 6/06/18	212.52
				TESTING: VOC QUIMPER AIRPORT WELL 5/23/1	184.00
				Total for Check/Tran - 117534:	682.64
117535 06/21/2018	CHK	10244	TEREX UTILITIES, INC	REAR VALVE REPAIR TRUCK # 102	749.38
117536 06/21/2018	CHK	10684	THUNDERBULL PRODUCTIONS LLC	4TH OF JULY SPONSORSHIP 2018	800.00
				4TH OF JULY SPONSORSHIP 2018	200.00
				Total for Check/Tran - 117536:	1,000.00
117537 06/21/2018	CHK	10269	WAVE BROADBAND	INTERNET SVC 6/21-7/20/18	66.45
				INTERNET SVC 6/12-7/11/18	66.40
				Total for Check/Tran - 117537:	132.85
117538 06/21/2018	CHK	10569	WAYNE D. ENTERPRISES, INC.	PPE CLOTHING	-83.31
				PPE CLOTHING	1,029.59
				Total for Check/Tran - 117538:	946.28
117539 06/21/2018	CHK	10271	WESCO RECEIVABLES CORP	ESCALATION CHARGE FOR INV# 860032	76.87
				PIN CROSSARM STEEL 5/8 X 6	301.93
				Total for Check/Tran - 117539:	378.80
117540 06/21/2018	CHK	10345	WESTERN HYDRO-CORPORATE	230V PUMP START RELAY 40AMP	93.74
117541 06/21/2018	CHK	10653	WILDFLOWER	FOUR CORNERS: GENERAL LANDSCAPING	261.60
				FOUR CORNERS: GENERAL LANDSCAPING	65.40
				PORT HADLOCK: GENERAL LANDSCAPING	294.30
				PORT HADLOCK: GENERAL LANDSCAPING	32.70
				Total for Check/Tran - 117541:	654.00
117542 06/21/2018	CHK	10278	WPUDA	MONTHLY DUES - JUN 2018	4,185.60
				MONTHLY DUES - JUN 2018	1,046.40
				2018 JUL ASSOCIATION MEETINGS, LUNCH&DIN	40.00

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Bank Account: 1 - 1ST SECURITY - AP

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				2018 JUL ASSOCIATION MEETINGS, LUNCH&DIN	10.00
				Total for Check/Tran - 117542:	5,282.00
117543 06/21/2018	CHK	9998	SCOTT SUMMERS	Credit Balance Refund	108.24

Total Payments for Bank Account - 1 :	(85)	497,616.98
Total Voids for Bank Account - 1 :	(1)	163.67
Total for Bank Account - 1 :	(86)	497,780.65
Grand Total for Payments :	(85)	497,616.98
Grand Total for Voids :	(1)	163.67
Grand Total :	(86)	497,780.65

JEFFERSON COUNTY PUD NO 1

ISSUED PAYROLL CHECKS
PAY DATE: 6/15/2018

<u>Empl</u>	<u>Position</u>	<u>Check #</u>	<u>Date</u>	<u>Amount</u>
3032	CUSTOMER SERVICE REP	70463	6/15/2018	1,044.49
2000	WATER DISTRIBUTION MANAGER II	70461	6/15/2018	1,692.65
2001	WATER DISTRIBUTION MANAGER II	70462	6/15/2018	1,589.28
2003	WATER TREATMENT PLANT OPERATOR III	70464	6/15/2018	1,962.83
2004	WATER TREATMENT PLANT OPERATOR III - LEAD	70465	6/15/2018	2,499.68
				\$ 8,788.93

JEFFERSON COUNTY PUD NO 1

DIRECT DEPOSIT PAYROLL PAY DATE: 6/15/2018

<u>Empl</u>	<u>Position</u>	<u>Pay Date</u>	<u>Net Pay</u>
3029	ACCOUNTING TECH II	6/15/2018	1,519.34
1011	ASSISTANT GENERAL MANAGER	6/15/2018	3,414.16
4006	COMMISSIONER DIST 1	6/15/2018	841.85
4004	COMMISSIONER DIST 2	6/15/2018	2,161.84
4002	COMMISSIONER DIST 3	6/15/2018	841.85
3034	COMMUNICATIONS MANAGER	6/15/2018	1,864.80
3020	CUSTOMER SERVICE COORDINATOR	6/15/2018	1,437.48
3002	CUSTOMER SERVICE REP	6/15/2018	1,110.96
3014	CUSTOMER SERVICE REP	6/15/2018	1,141.83
3022	CUSTOMER SERVICE REP	6/15/2018	1,298.16
3005	EXECUTIVE ASSISTANT/PUBLIC RECORDS OFFICER	6/15/2018	2,011.85
3033	FINANCIAL SERVICES MANAGER	6/15/2018	2,317.40
1008	FOREMAN LINEMAN	6/15/2018	3,784.61
1012	FOREMAN LINEMAN	6/15/2018	3,025.84
3036	GENERAL MANAGER	6/15/2018	4,269.10
1004	GIS SPECIALIST	6/15/2018	2,941.31
1017	HEAD STOREKEEPER	6/15/2018	2,319.44
3026	HUMAN RESOURCES MANAGER	6/15/2018	2,509.10
3008	INFORMATION TECHNOLOGY MANAGER	6/15/2018	2,733.00
1036	INTERN	6/15/2018	288.14
3028	IT SUPPORT TECHNICIAN	6/15/2018	1,778.41
1000	LINEMAN	6/15/2018	5,575.65
1013	LINEMAN	6/15/2018	2,702.20
1016	LINEMAN	6/15/2018	5,247.36
1019	LINEMAN	6/15/2018	3,530.31
1020	LINEMAN	6/15/2018	3,994.59
1028	LINEMAN	6/15/2018	3,151.67
1034	LINEMAN	6/15/2018	4,647.29
1018	METER READER	6/15/2018	1,307.01
1035	METER READER	6/15/2018	1,438.33
2005	METER READER/OIT1	6/15/2018	807.37
1026	OPERATIONS ASSISTANT	6/15/2018	1,495.28
3004	RESOURCE MANAGER	6/15/2018	2,162.78
1003	SCADA TECH/APPRENTICE	6/15/2018	2,891.51
1015	SCADA TECH/APPRENTICE	6/15/2018	1,661.07
1027	SENIOR ENGINEER	6/15/2018	2,611.14
1031	STAKING ENGINEER	6/15/2018	1,877.72
1032	STAKING ENGINEER	6/15/2018	1,684.37
1014	STOREKEEPER	6/15/2018	1,894.05
1033	SUBSTATION TECH	6/15/2018	2,856.47
3013	UTILITY ACCOUNTANT II (PAYROLL)	6/15/2018	1,539.07
3003	UTILITY BILLING CLERK	6/15/2018	1,338.96
3027	UTILITY BILLING CLERK	6/15/2018	1,265.99
3000	UTILITY BILLING COORDINATOR	6/15/2018	1,490.58
2002	WATER DISTRIBUTION MANAGER II	6/15/2018	1,806.99
	TOTAL		\$ 102,588.23

VOUCHER APPROVAL FORM

We, the undersigned Board of Commissioners of Public Utility District No. 1 of Jefferson County hereby approve pending payments for transactions greater than \$100,000, if any. The following transactions are approved from the General Fund in the amount of **\$608,994.14** on this **3RD** day of **JULY** **2018** ;

Jeff Randall
President

Wayne G. King
Vice President

Kenneth Collins
Secretary

PENDING INVOICES OVER \$100,000 TO BE APPROVED:

PAYMENTS TO BE APPROVED:

	WARRANTS		AMOUNT	DATE
Accounts Payable:	# 117459	to # 117489	\$ 286,130.63	6/14/2018
Accounts Payable:	# 117490	to # 117543	\$ 211,486.35	6/21/2018
Payroll Checks:	# 70461	to # 70465	\$ 8,788.93	6/15/2018
Payroll Direct Deposit:			\$ 102,588.23	6/15/2018
TOTAL INVOICES PAID			\$608,994.14	

WIRE TRANSFERS PAID	AMOUNT	DATE
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GRAND TOTAL	\$608,994.14
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VOIDED WARRANTS

117258	\$ 163.67
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AGENDA REPORT

DATE: July 3, 2018
TO: Board of Commissioners
THRU: Larry Dunbar, General Manager
FROM: Tammy Lehman, Interim Finance Director/District Auditor
RE: Late Fees

SUMMARY: Staff and the Citizens Advisory Board recommend that late fees are resumed.

BACKGROUND: When the PUD was a water only utility, there was a \$2 late fee. If the customer didn't pay all of the past due amount before the current charges became due, an additional \$8 late fee was charged on the previous past due amount (now 30 days late) and \$2 on the most recent past due amount, for a total late fee of \$10. Some time prior to April 1, 2013, the PUD suspended charging late fees in anticipation of having billing issues brought about by the Puget Sound Energy acquisition. The intent was to resume the late fee after all the billing issues were resolved.

ANALYSIS/FINDINGS: The Citizens Advisory Board concluded that late fees should be assessed for the following reasons:

- Late fees are consistent with Washington local government practices
- Late payments by customers generate unnecessary administrative costs for the PUD
- Introducing a late fee into the billing system will allow the PUD to automatically generate data to work with customers who do not pay on time
- Late fees encourage timely payments

FISCAL IMPACT: The Citizens Advisory Board estimated that late fees may generate \$13,500 of additional monthly revenue. Staff proposes that the revision to the Schedule of Deposits and Charges begins with billings on and after October 10, 2018, allowing staff time to inform customers that late fees are being resumed.

RECOMMENDATION: Staff and the Citizens Advisory Board recommend that the Board of Commissioners approves the attached resolution to update the Schedule of Deposits and Charges to include a late fee as outlined herein.

Attachments: Report of the CAB subcommittee on Credit Card Use and Late Fees
Schedule of Deposits and Charges
Resolution 2018-020

Recommendation on Late Fees

Report of the CAB subcommittee on Credit Card Use and Late Fees

Thomas Engel and Larry Dennison with assistance and research results from Tammy Lehman

When the PUD was a water only utility, a late fee of \$2 per account was charged. If the customer didn't pay all of the past due amount before the current charges became due, an additional \$8 was charged on the previous past due amount (now 30 days late) and \$2 on the most recent past due amount, for a total of \$10. Some time prior to April 1, 2013, the PUD suspended charging late fees in anticipation of having billing issues brought about by the PSE acquisition. The intent was to resume charging a late fee after all the billing issues were resolved, as is the case at this time. As Table 1 shows, Jefferson PUD is the only PUD surveyed that does not currently charge a late fee and the subcommittee recommends that a late fee be introduced in the near future. The reasons that support this recommendation are summarized below.

1) Late Fees are consistent with Washington local government practices. According to the Municipal Research & Services Center, public utilities can and should charge interest on delinquent account balances. For certain types of utility service, a local government may establish penalties. For example, Cathlamet charges all delinquent accounts a \$30 late fee and Fircrest charges \$35 for returned checks. Many local governments impose a fee for shut-off and reconnection services. Except for a few statutory limitations, local governments are allowed to establish their own policy on penalties, however as a general rule, added charges should reflect the added costs to the agency. For more information, see <http://mrsc.org/Home/Explore-Topics/Public-Works/General-Utility-Topics/Utility-Billing-Procedures.aspx>.

2) Late payments generate unnecessary administrative costs for the PUD. Customers who cannot provide evidence of past utility payments pay an initial deposit upon being connected. The PUD currently has \$127,600 in deposits collected from approximately 800 customers which must be examined to determine if the payments on the previous 12 months' bills were received on time. If so, the customer is due a refund of the deposit. Currently, this process must be done manually.

The PUD also routinely makes payment arrangements with customers. Currently, customer service representatives (CSRs) have to manually review these accounts to determine if payment arrangements have been broken. CSRs also have to manually check accounts on customers who ask the PUD to provide letters of good credit to other utilities. The CIS (Customer information system) assigns a credit rating on each customer based on credit history postings. Since the billing system is not automatically updating late payment events into the customers' history, CSRs cannot always rely that the credit rating assigned to customers is up to date.

We can make an estimate of the administrative costs associated with the services outlined above. Assuming that CSRs and billing personnel spend 100 hours per month (approximately 1 hour per day per CSR), the total monthly cost of manually monitoring late payments is approximately \$3,500 (rate of pay plus benefits). There would be an initial cost of approximately \$900 for custom programming the CIS so that late payment history would be recorded automatically. Further costs may arise when the CIS software is updated.

3) Introducing a late fee into the billing system will allow the PUD to automatically generate data to work with customers who do not pay on time. In the 6 month period that was manually investigated for this report, approximately 11% of accounts were paid late in the period as shown in Table 2. A more detailed report on the frequency of late payments is shown in Table 4. Much of the data shown in the tables was generated by

manually sorting through accounts. If this detail of data becomes automatically available, CSRs can work with customers who frequently pay late to make arrangements such that they can pay more frequently on time in the future. Without introducing a late fee in the billing system, the CIS can't automatically distinguish account holders who pay on time from those who do not, Therefore the ability of the billing system to provide useful data is lost.

4) **Late fees encourage timely payments.** More than 85% of PUD customers paid on time over the 6 month period examined. We assume that this number will increase with the introduction of a late fee, which will avoid customers running up a large utility bill.

RECOMMENDATION

For residential accounts, we recommend that a late fee of a flat \$5.00 be added on any electric, water, sewer or combination electric, water and/or sewer account that is not paid by the bill's due date. A minimum amount due of \$50.01 would be required before the late fee would be assessed. There would also be a three business days' grace period so that all payments received could be processed before the late fee would be assessed.

For commercial accounts, we recommend the greater of 1% or \$5.00 will be added on any electric, water, or combination electric and water account that is not paid by the bill's due date. A minimum amount due of \$50.01 would be required before the late fee would be assessed. There would also be a three business days' grace period so that all payments received could be processed before the late fee would be assessed.

The late fee may be waived in exceptional circumstances at the discretion of the staff.

We recommend that the late fee be implemented only after ratepayers have been fully informed about this change in policy at a time to be decided by the staff. We also recommend that the staff report back to the CAB their experience with the late fee policy 12 months after implementation.

As seen in Table 2, the average residential account bill for the 6 month period examined is \$223 (including low income program participants) and \$161 for low income plan participants. The proposed late fee is 2.2% of the average bill of the former and 3.1% of the average bill of the latter group. Table 4 compares the frequency of late payments for low income and non-low income customers. Because customers can have electrical, water, and sewer accounts, the number of customers shown in Table 4 is less than the number of accounts shown in Tables 2 and 3. Table 4 shows that 14% of regular residential customers and 16% of low income plan customers had a late payment in the time period examined. From this data, we conclude that low income plan participants would not be unfavorably affected by the proposed late payment policy relative to non-low income customers.

Although the late fee policy is not proposed for the purpose of generating revenue, if the number of late payments continues at the present level, we estimate that the PUD would generate an additional revenue of \$13,500 monthly. However, it is reasonable to assume that introducing a late fee will lead to a decline in the number of late payments. We also note that the period examined does not correspond to a full calendar year.

Table 1: PUD Late Fee Policy Survey Carried out by Clallum PUD May 2017

Clallam PUD would like the following information as it relates to customer late fees:			
PUD	Do you charge a late fee?	If yes, what is the charge?	Our utility has a 21 day due date and on day 22 the late fee is charged. What day in the billing cycle does your utility charge the late fee?
Benton	Yes	1% of past due balance	Due date is on day 20 (or following business day if day 20 is a weekend or holiday), late fees are assessed on day 25 (or following business day if day 25 is a weekend or holiday).
Clark	Yes	1% of past-due balance with a monthly minimum charge of \$2.50	Payments are due within 15 days of the billing date. If bill is not paid within 15 days of the due date, a late fee is added.
Cowlitz	Yes	\$10 or 1% of outstanding balance, whichever is higher	Residential & Commercial: Bill Due Date (day 15) - Late Fee charged (day 26) Industrial (non-contracted): Bill Due Date (day 30) - Late Fee charged (day 31) Industrial (contracted): As specified in contract
Douglas	Yes	\$5	Bills are due 16 days from the statement date. Late notices are sent on day 21. We give customers a 4 day grace period before sending late notices.
Ferry	Ferry PUD is not currently charging a late fee but will begin doing so next month. Since this was just approved by our Board, we are still working out the mechanics.		
Franklin	Yes	1% of balance due	On day 21 after bill is printed. (Franklin PUD billings are due and payable on receipt and are delinquent twenty days after the billing date.)
Grays Harbor	Yes	Residential: \$5 Commercial/Industrial: 1% - not to be less than \$5	26 days after billing.
Jefferson	No		
Kittitas	Yes	1% of the bill total	Billing statements are due on the 25th of each month and late fees automatically charge 2 days later.
Mason #1	Yes	1.5% of balance due	7 days after the official due date.
Mason #3	Yes	Residential: \$7.50 Commercial: greater of \$7.50 or 1% of past due balance	Our bills are due 21 days from the bill date. Bills become delinquent 28 days from the bill date. We charge the late fee on the 29th day after the bill date.
Pacific	Yes	\$17	Our billing cycle is approximately 21 days. The day after the bill is due a late notice is sent out giving the customer 7 days to pay. If no payment is received the late fee is applied on the 8th day following the due date.
Pend Oreille	Yes	1.5% for past due balances over \$50	We have a 20 day due date, with essentially a 10 day grace period. The late fee is charged when the customer account bills again.
Skagit	Yes	\$5 or 2.0% per month, whichever is greater, for all unpaid balances 14 days past due date.	On the 32 day. Bills become past due 18 calendar days beyond the bill date. Delinquent notices are mailed 14 calendar days after that date.
Skamania	Yes	\$10	30 days from bill date
Wahkiakum	Yes	\$5	Wahkiakum has a 15 day due date with about a week grace period and the late fee and late notice is charged/generated on the 21st day (approximately)

**Table 2: Total Late Accounts (Including Low Income) for
Period 8/18/17-2/9/18**

bill date	# late	total late	avg late bill	% Late
8/18/17	769	137,191.88	178.40	
8/25/17	231	52,137.72	225.70	
9/1/17	327	45,658.51	139.63	
9/11/17	590	160,849.20	272.63	7.70%
9/18/17	758	144,778.03	191.00	7.70%
9/25/17	200	72,243.73	361.22	7.50%
10/4/17	385	52,270.15	135.77	7.80%
10/12/17	659	117,229.35	177.89	8.10%
10/18/17	946	174,387.59	184.34	8.80%
10/25/17	267	86,118.47	322.54	9.10%
11/3/17	546	82,462.04	151.03	9.70%
11/9/17	942	188,349.22	199.95	10.90%
11/17/17	1,157	244,433.43	211.26	11.70%
11/22/17	359	78,913.65	219.82	12.10%
12/4/17	691	114,926.69	166.32	12.70%
12/11/17	611	117,532.85	192.36	11.30%
12/18/17	1,329	312,738.16	235.32	12.00%
12/22/17	362	114,108.67	315.22	12.00%
1/4/18	582	117,570.18	202.01	11.60%
1/11/18	1,177	301,828.10	256.44	13.90%
1/18/18	1,315	332,664.53	252.98	13.80%
1/25/18	355	126,119.15	355.27	13.80%
2/2/18	642	120,448.40	187.61	14.00%
2/9/18	1,054	234,986.10	222.95	13.50%
Totals	16,254		223.24	
Total Accounts	24,861			
Average % Late	10.90%			

Table 3 -Total Low Income Accounts for Period 8/18/17-2/9/18

bill date	# late-LI	total late-LI	avg late bill	% Late
8/18/17	40	6,237.25	155.93	
8/25/17	6	820.02	136.67	
9/1/17	18	3,286.79	182.60	
9/11/17	6	856.56	142.76	9.90%
9/18/17	35	6,182.21	176.63	9.20%
9/25/17	7	914.87	130.70	9.30%
10/4/17	17	1,999.16	117.60	9.20%
10/12/17	10	1,387.99	138.80	9.70%
10/18/17	49	6,910.61	141.03	11.70%
10/25/17	9	1,494.03	166.00	12.00%
11/3/17	25	3,148.43	125.94	13.10%
11/9/17	36	4,908.04	136.33	16.80%
11/17/17	83	13,006.98	156.71	21.60%
11/22/17	15	2,873.98	191.60	22.40%
12/4/17	46	7,037.08	152.98	25.40%
12/11/17	31	4,339.91	140.00	24.70%
12/18/17	75	12,942.54	172.57	23.60%
12/22/17	12	2,748.37	229.03	23.10%
1/4/18	38	7,122.64	187.44	22.00%
1/11/18	34	6,077.20	178.74	22.40%
1/18/18	59	9,060.45	153.57	20.20%
1/25/18	9	2,187.21	243.02	19.70%
2/2/18	29	4,881.83	168.34	18.50%
2/9/18	22	3,318.67	150.85	16.80%
Totals	711		161.49	
Total Accounts	709			
Average % Late	16.70%			

Table 4 - Summary of Frequency of Delinquent Customers

Mos. Late	Non-Low Income	Low Income	Total
1	2,492	99	2,591
2	1,239	69	1,308
3	896	46	942
4	551	21	572
5	393	19	412
6	284	1	285
Totals	13,531	560	14,091
Total Customers	17,401	604	18,005
Average % Customers Late	13.00%	15.50%	13.00%
% Customers Late Once	14.30%	16.40%	14.40%

"EXHIBIT B"

**PUBLIC UTILITY DISTRICT NO. 1
OF JEFFERSON COUNTY**

SCHEDULE OF DEPOSITS AND CHARGES

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**PUBLIC UTILITY DISTRICT NO.1
OF JEFFERSON COUNTY
JANUARY 1, 2017**

DEPOSITS

General: The PUD uses a national agency, ONLINE Utility Exchange, to determine the amount of risk a customer provides for the utility in paying their bills in a timely manner. This agency rates a customer a Green, Yellow, or Red as far as their risk to the utility. This rating will determine the deposit amount. The customer deposit cannot be used for paying a delinquent bill.

Electric

Residential: For a green rating, no deposit will be required. For a yellow rating a \$100 dollars deposit will be required. For a red determination, a \$200 dollar deposit will be required.

Non-Residential: Two-twelfths of estimated annual billings or as determined by the District.

Water/ Sewer

Residential: None.

Non-Residential: None

Deposits will be automatically credited back to the account after one year of perfect payment history.

CHARGES

New service application:

Any combination of electrical, water, or sewer only: \$ 20.00

Net Metering application: A non-refundable application fee must accompany this Application and Agreement:

- 1) Generating Facilities of 0 kW to 25 kW \$100.00
- 2) Generating Facilities of greater than 25 kW \$500.00
- 3) Other fees will apply for actual meter installation

Connect - Reconnect/ Read-out Charges - applicable to standard new or existing services.
(Read-outs charged to incoming, not out-going)
(Disconnect charges will be applied at time of reconnect and will be the responsibility of the requesting party).

Electric

- 1) Meter including multiple (water and sewer) meters for same acct. \$ 60
- 2) Disconnect or reconnect at transformer - (construction) \$ 150

Water Independent of electric \$ 60

Sewer Inspect customer connection \$ 150

After Hours and/or Nonpayment (in addition to other application charges) \$ 250
 Requests received between 1:00 pm and 9:00 am of next business day will be charged the additional \$250 if customer cannot wait for turn on the normal business day.

Reread Meter (customer request due to high consumption)
 No Charge if reading is incorrect

Access Appointment to Read Meter \$ 30

New Service Charges - including connect charge and engineering charge

Electric - Overhead - Self-contained meter only

- 1) Single phase - Existing Overhead Transformer \$1,000
 (Inc. OH Triplex svc to cust bldg up to 120' from existing transformer)
- 2) Single phase - Install new overhead transformer \$ 1,685
 (Inc. OH Triplex svc to cust bldg up to 120' from existing transformer)
- 3) Each additional lift/secondary pole (may require engr. Est) \$1,500
- 4) Overhead service with road crossing includes new lift pole \$1,600
- 5) Underground service up to 350' with new Overhead transformer on an existing pole includes secondary riser \$1,800
- 6) All Three phase work - will require engineer estimate.

Electric - Padmount - Self-contained meter only

- 7) Single phase - underground service up to 350' from existing Pad mount transformer \$ 750
- 8) Single phase -underground service up to 350' increasing the transformer size, upgrade \$1,435
- 9) All Three phase power will require an engineer estimate
- 10) All commercial services and multifamily services are charged based on an Engineers estimate

Electric - Others

- 13) Additional meter(s) at a multiple installation involving a single service run
 - a) Each add'l meter installed with original connection \$ 250
 - b) Add'l charge for each meter installed at a later time than original connection \$ 350
- 14) CT Meter Connection (in addition to one of the above)
 - a) Up to and including 800 AMP \$ Engineer
 - b) Greater than 800 AMP \$ Engineer
- 15) Net Meter Installation
 - a) Standard Meter or AMR Meter \$ 350
 - b) CT Meter I AMR-CT Meter \$ 595
- 16) Production Meter Installation Fees
 - a) Standard Meter \$ 165
 - b) Advanced Meter \$ 595
 - c) Additional Standard Meter \$ 165
 - d) Additional advance Meter \$ 595
- 17) Temporary Service -in addition to above new service charge Customer supplies wire for underground temporary service - \$ 200
- 18) Temporary Service -Community Sponsored Festival Only \$ Engineer

Water - Residential% inch meter.

- 1) **Hookup Charge -full meter regardless side of road** \$ 1550
- 2) **Meter Drop** \$ 255
- 3) System Development Charges (per ERU): Meter collllection not included
 - a. Standard \$ 2000
 - b. Marrowstone (LUD# 14) \$ 7300
 - C. Shine (LUD#11) \$ 7000
 - d. Snow Creek \$ 2900
 - e. South Hastings Loop (LUD#3) \$ 2800

Electric - Padmount - Self-contained meter only

- 7) Single phase - underground service up to 350' from existing Pad mount transformer \$ 750
- 8) Single phase -underground service up to 350' increasing the transformer size, upgrade \$1,435
- 9) All Three phase power will require an engineer estimate
- 10) All commercial services and multifamily services are charged based on an Engineers estimate

Electric - Others

- 13) Additional meter(s) at a multiple installation involving a single service run
 - a) Each add'l meter installed with original connection \$ 250
 - b) Add'l charge for each meter installed at a later time than original connection \$ 350
- 14) CT Meter Connection (in addition to one of the above)
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 - b) CT Meter I AMR-CT Meter \$ 595
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 - b) Advanced Meter \$ 595
 - c) Additional Standard Meter \$ 165
 - d) Additional advance Meter \$ 595
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 - d. Snow Creek \$ 2900
 - e. South Hastings Loop (LUD#3) \$ 2800

- 4) Late-comer charges - per agreement with developer

Sewer System Charges

- 1) Hookup Charge \$ 150
- 2) System Charges. Each system charge has been developed separately and will have to be calculated at the PUD at time of connection.
- 3) PUD inspection of septic system (minimum) \$ 350

Misc. Service Charges - Alphabetical Order

Access Appointment (e.g. Maintenance & Repair)

- 1) Electric \$ 175
- 2) Water \$ 60
- 3) Sewer \$ 60

Assessment Segregation - actual cost \$ 50 (min)

Customer Service Conversation

- 1) Convert overhead service to underground service \$ 500
- 2) Change meter base to larger meter base size \$ 500
- 3) Upgrade overhead service wire to larger size \$ 500

Easements and Other Recorded Documents

- 1) Easements/ Bill of Sale \$ 200
- 2) Replacement Easements / Quit Claim \$ 200
- Deeds Total cost by customer

Engineering Charge for Developer Proposals Actual cost over \$ 1,000

Field Door Hanger

- Fire Hydrant Use - Temporary Service**
- Flat monthly fee \$ 75
- Consumption Commercial rate
- Deposit \$ 500

Increased Loads - Add service conversion charge when a transformer Upgrade is required to maintain adequate capacity for a service upgrade. Add connect charge for new services.

- 1) Single overhead \$ 755
- 2) Two overhead \$ 1,005
- 3) Three overhead \$ 1,850
- 4) Single pad mount \$ 755
- 5) Three-phase pad mount Engineer Estimate

Lock Box - installed (one size only) \$ 315

Meter Tampering			
1)	Cut or missing seal (electric or water) (first time)	\$	125
2)	Unauthorized connect or reconnect of meter (elec/h20)	\$	500
3)	Power diversion investigation - actual cost & requires a W.O.	\$	285 (min)
4)	Water diversion investigation- actual cost & requires a W.O.	\$	265 (min)
Meter Testing			
1)	Electrical meter	\$	165
2)	Water meter	\$	85
Non-Sufficient Funds I EFT Returns		\$	30
Late Fee -Residential		\$	5
Late Fee - Non-Residential		Greater of \$5 or 1% of "past due"	
<i>Late Fee- Residential and Non-Residential late fees only apply if the past due exceeds \$50.00. Late fees may be waived by the General Manager or his/her designee in exceptional circumstances.</i>			
SMA Hourly Rate		\$	70
Trip Charge (Customer not prepared for scheduled work)			
1)	Electrical Serviceman	\$	250
	Line Crew	\$	450
	Water Serviceman	\$	70
Water			
1)	Seasonal Off/on of water service	\$	15
2)	Annual Backflow test if done by PUD	\$	150
Yard Lights			
	Install light only; along with new service	\$	450
2)	Install light only, established account	\$	450
3)	Install pole and light	\$	1,475

**PUBLIC UTILITY DISTRICT NO.1
OF
JEFFERSON COUNTY**

RESOLUTION NO. 2018-020

A RESOLUTION of the Board of Commissioners of Public Utility District (PUD) No. 1 of Jefferson County, Washington, updating Resolution 2016-020 to resume late charges.

WHEREAS, On December 13, 2016 the Board of Commissioners adopted Resolution No. 2016-020 including PUD Electric Service Regulations (Exhibit "A"), PUD Schedule of Deposits and Charges (Exhibit "B"), Electric Line Extension Unit Prices (Exhibit "C"), and PUD Schedules of Electrical Service (Exhibit "D"); and

WHEREAS, the adoption of Resolution No. 2018-020 is limited to updating Exhibit "B" to include the resumption of late charges, and the Exhibits "A", "C", and "D" adopted as part of Resolution No. 2016-020 shall continue to remain in effect;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Public Utility District No. 1 of Jefferson County, Washington that the District adopts the document titled "Public Utility District No. 1 of Jefferson County Schedule of Deposits and Charges, Exhibit B" that is dated, effective and will be implemented on October 10, 2018, attached hereto and incorporated by reference.

ADOPTED at a regular meeting of the Board of Commissioners of Public Utility District No. 1 of Jefferson County, this 3rd day of July 2018.

Jeff Randall, President

Wayne King, Vice President

ATTEST:

Ken Collins, Secretary



DATE: July 3, 2018
TO: **Larry Dunbar, General Manager**
FROM: Kevin Streett
RE: Chimacum Creek Estate Bid Award

SUMMARY: The primary cable in Chimacum Creek Estates is failing and needs to be replaced. Shold Excavation was the low bid at \$165,005 to install the conduit system.

BACKGROUND: In 2017 the PUD started design work on a primary cable replacement project in Chimacum Creek Estates. The area has had several prolonged outages over the last 5 years. The existing cable is directly buried and will be replaced with a conduit system

ANALYSIS/FINDINGS: on June 22 the PUD reviewed two bids for the trenching, vault placement and conduit installation for the Chimacum Creek Estate project. Seven contractors were sent out information on the project and 5 attended the pre-bid meeting.

Scold Excavation was low bid with two exceptions. This will increase their bid to \$165,005. Shold will do the road crossings the week of July 16th and then come back and finish the project later in the fall.

FISCAL IMPACT: Fiscal impact to the PUD will be \$165,005, this is a capital project, 600 Miscellaneous Distribution Equipment, line item 608 RUS 4- year work plan.

RECOMMENDATION: Staff is recommending approving the bid from Shold Excavation and start the Chimacum Creek Estates Project.

July 3, 2018

PUD CALENDAR

July 3, 2018	Regular BOC Meeting 5:00 p.m. Transit Center
July 4, 2018	Independence Day (office closed)
July 17, 2018	Regular BOC Meeting 5:00 p.m. Transit Center
July 18-20, 2018	WPUDA Commissioner Roundtable, Chehalis



AGENDA REPORT

DATE: July 3, 2018
TO: **Board of Commissioners**
THRU: Larry Dunbar, General Manager
FROM: Mike Bailey, Financial Services Manager
RE: 2019 Budget Draft Strategic Objectives

SUMMARY: Staff is seeking guidance from the Board of Commissioners on the strategic objectives to be considered as part of the 2019 budget.

BACKGROUND: Every year the Commission goes through a thorough process to prepare the budget for the subsequent year. This year's budget process commences on July 6, 2018, includes a budget hearing by the Commission on October 1, 2018, and the budget must be adopted by the Commission by the end of November 2018.

As part of the General Manager's employment contract an annual review will be conducted to determine goals (e.g., strategic objectives) for the coming year.

ANALYSIS/FINDINGS: Staff is seeking guidance from the Commission on the below draft strategic objectives for the 2019 budget (not in priority order)

1. Consolidated facility project. During 2018 the design of a consolidated facility for all employees should be completed, and a modular building should be permitted and purchased and installed. During 2019 bid documents should be prepared, bids solicited, permits obtained, a contract should be awarded, and construction should commence with completion expected in 2020.
2. Community solar project. This project includes design and construction of a community solar facility at the Kearney substation. During 2018 permits should be obtained, engineering completed, and customer participation should proceed. During 2019 bids should be solicited and construction should commence and be completed.
3. Broadband line extensions for Port Townsend downtown businesses pilot project. This project includes formulation of a policy regarding cost sharing the installation of fiber optic service connections in 2018. During 2019 design and construction of fiber optic service connections should commence and be completed.
4. Heightened focus on customer service and continuing education. During 2018 staff is relocating customer-facing employees to the operations center, filling the customer service manager position, and backfilling positions as appropriate. During 2018 staff is also reviewing the existing customer service policies and will seek approval of various enhancements. During 2018 and 2019 staff will be having in-house customer service training events.
5. Safety training program. During 2019 a hosted safety training program should be available for all PUD staff, which will further enhance the PUD's commitment to safety.

6. Electric reliability. During 2018 staff is evaluating reliability statistics and will identify the most effective ways to continue to increase reliability. During 2019 staff would implement improvements that would further improve reliability.
7. Full time regular water engineer. During 2018 staff will prepare a job description and begin recruitment of a water engineer, with the anticipation that the successful candidate would begin employment in early 2019.
8. Comprehensive personnel policies. During 2019 staff will prepare a request for proposals to hire a management consultant to prepare comprehensive personnel policies that would replace all existing personnel policies.
9. Advanced metering infrastructure business case evaluation. During 2019 staff will prepare a request for qualifications to hire an engineering/financial consultant to prepare a business case evaluation for the PUD's current metering system, advanced metering options, and other options such as manual meter reading. The results of the business case evaluation will be used to guide the selection of the PUD's next metering system, which may be proposed as part of the 2020 budget.
10. Strategic plan update and strategic objectives for 2020/2021. Staff proposes that NWPPA is utilized to help the Board of Commissioners to update the PUD's strategic plan and identify strategic objectives to be considered as part of the 2020 and 2021 budgets.
11. Electric system plan. Similar to the water system plan that's currently underway, staff proposes that a system plan is prepared for the electric utility. During 2019 staff will prepare a request for qualifications to hire an engineering consultant to prepare a system plan that will identify the capital improvement plans for the following 6-years including prioritization and preliminary cost estimates.
12. Information technology and geographic information system strategic plan. During 2019 staff will prepare a request for qualifications to hire an information technology consultant to review the PUD's existing information technology systems and identify enhancements for the following 2-years including prioritization and preliminary cost estimates.
13. Telecommunications strategic plan. During 2019 staff will prepare a request for qualifications to hire a telecommunications consultant to review the PUD's legal authority, existing telecommunications resources, and identify a range of options, phases, and preliminary cost estimates, which may be proposed as part of the 2020 budget. If the PUD receives a CERB grant this may advance this effort to 2018.
14. Designating cash reserves. The PUD currently has restricted cash reserves and designated cash reserves for specific purposes. Staff will be proposing that some of the unrestricted cash reserves be designated for other purposes such as vehicle replacement and information technology hardware replacement as part of the 2019 budget.
15. Confirm utility memberships. Staff is preparing a list of memberships including dues and staff and board assignments and will seek guidance on if any memberships should be discontinued in 2019.

FISCAL IMPACT: Staff will prepare a preliminary cost estimate for each of the draft strategic objectives that will be considered as part of the 2019 budget.

RECOMMENDATION: Staff requests guidance on the above strategic objectives (and others that may be requested by the Commission) as part of the 2019 budget.