



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

**August 6, 2019**

**Board of Commissioners  
Regular Meeting**

**Final Minutes**

The Regular Meeting of the Public Utility District No. 1 of Jefferson County (PUD) was called to order by the President of the Board of Commissioners (Board or BOC) at 5:00 p.m. on August 6, 2019, at the Jefferson Transit Conference Room, 63 Four Corners Road, Port Townsend, Washington, 98368. Present:

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

Kevin Streett, Acting General Manager  
Joel Paisner, General Counsel  
Will O'Donnell, Communications Manager  
Annette Johnson, Executive Assistant/Records Officer  
Bill Kolden, Interim Human Resources Manager  
Mike Bailey, Financial Services Manager  
Jean Hall, Customer Services Manager  
Bill Graham, Interim Water OP Supervisor  
Jimmy Scarborough, Interim Elec. Engineer Supervisor  
Don McDaniel, Consultant

Recording Secretary Cammy Brown

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**1. CALL TO ORDER:**

Commissioner Jeff Randall called the regular meeting of the PUD Board of Commissioners for August 6, 2019, to order at 5:00 p.m.

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

**2. AGENDA APPROVAL:**

Commissioner Kenneth Collins requested that Agenda Item 7.1.5 Communication Resolution discussion be taken off of the Agenda. After some discussion it was the consensus of the commissioners that this agenda item would be kept on the Agenda.

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

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

- Public member submitted a public records request for tier ratio as it formerly appeared.

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

Commissioner Jeff Randall requested that the minutes of 7/12/19, 7/15/19 and 7/16/19 meetings be removed and placed under 7.0 Action Items Requiring Board Action.

**MOTION:** Commissioner Dan Toepper 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:** Minutes of the BOC meetings of 7/12/19, 7/15/19 and 7/16/19 were removed and placed under 7.0 Action Items Requiring Board Action.

#### **4.2 APPROVAL OF VOUCHERS**

4.2.1 Voucher certification form with supporting warrant register and payroll form.

4.2.2 BOC approval of voucher approval form.

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

<b>WARRANTS</b>	<b>AMOUNT</b>	<b>DATE</b>
Accounts Payable: #120598 to #120663	\$ 419,547.75	7/11/2019
Accounts Payable: #120664 to #120720	\$ 265,023.62	7/18/2019
Accounts Payable: #120721 to #120775	\$ 489,958.06	7/25/2019
Payroll Checks: # 70614 to # 70619	\$ 9,941.01	7/12/2019
Payroll Direct Deposit	\$ 93,100.28	7/12/2019

<b>TOTAL INVOICES PAID</b>	<b>\$ 1,277,570.72</b>
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<b>WIRE TRANSFERS PAID</b>	<b>AMOUNT</b>	<b>DATE</b>
BPA	\$1,045,164.00	7/12/2019

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<b>GRAND TOTAL</b>	<b>\$ 2,322,734.72</b>
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#### **VOIDED WARRANTS**

120308	\$ 219.63
120573	2,100.00
120775	\$ 15,879.12

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#### **4.3 ACTION ITEMS**

4.3.1 Financials for June 2019.

#### **4.4 PUD CALENDAR.**

**END OF CONSENT AGENDA.**

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## **5. COMMISSIONER REPORTS:**

### **Commissioner Dan Toepper:**

7/17 to

- 7/18 Attended the WPUDA conference.
- 7/18 Attended more WPUDA conference meetings.
- 7/23 Attended Jefferson County Commissioners' Town Hall meeting.
- 7/24 Attended Chimacum School District Board meeting.
- 7/25 Visited JeffCom.
- 7/29 Attended Gardiner Community Group meeting.
- 7/30 Attended Magellan update meeting.
- 7/31 Attended joint meeting with CAB/BOC.
- 8/01 Met with General Manager Kevin Streett.
- 8/01 Attended Port Ludlow Council meeting.
- 8/05 Attended PUD Quarterly meeting.
- 8/06 Sat in an interview at KPTZ radio station with Willie Bentz from County Department of Emergency Management. This interview will air at noon and 5:00 p.m. on Monday 8/12 and on Saturday 8/17 at noon.
- 8/06 Will attend an interview with KPTZ
- 8/09 Will be in PUD booth at Jefferson County Fair.
- 8/12 Will attend CAB meeting.
- 8/18 Will attend all county wide picnic.
- 8/19 Will attend Jefferson County Chamber Luncheon.
- 8/20 Will attend BOC meeting.
- 8/22 Will attend PUD Employee Manual meeting.

### **Commissioner Kenneth Collins:**

7/18 to

- 7/19 Attended WPUDA conference. Specifically attended the Telecom committee which reported on SB5511 – Governor's broadband bill for funding rural broadband expansion. Attended Executive Committee meeting. WPUDA received a clean audit.
- 7/23 Attended Energy Northwest Board meeting.
- 7/25 Attended JBAT (Jefferson Broadband Action Team) meeting.
- 7/30 Attended Magellan update meeting.
- 7/31 Attended joint meeting with CAB/BOC.
- 8/05 Attended PUD Quarterly meeting.
- 8/05 Met with General Manager Kevin Streett.
- 8/06 Attended CAB Broadband Subcommittee meeting.
- 8/07 to
- 8/08 Will attend PPC (Public Power Council) meeting.
- 8/09 Will be in PUD booth at Jefferson County Fair.
- 8/14 Will participate in the NoaNet by phone.
- 8/14 Will attend Port Commission meeting.
- 8/18 Will attend all county wide picnic.
- 8/19 Will attend PURMS audit exit interview.
- 8/19 Will meet with General Manager Kevin Streett.
- 8/22 Will attend PUD Employee Manual meeting.

### **Commissioner Jeff Randall:**

7/18 to

- 7/19 Attended WPUDA conference.
- 7/22 to
- 7/26 On vacation.
- 7/31 Met with General Manager Kevin Streett.

- 7/31 Attended joint meeting with CAB/BOC.
- 7/31 Attended a meeting with OlyCAP. Received overview of 44 unit housing project.
- 8/05 Attended PUD Quarterly meeting.
- 8/05 Met with John McDonough of the City of Port Townsend re community solar project.
- 8/09 Will be in PUD booth at Jefferson County Fair.
- 8/18 Will attend all county wide picnic.
- 8/22 Will attend PUD Employee Manual meeting.

## 6. **GENERAL MANAGER REPORT.**

- Move to new building.
- Jimmy Scarborough and his crew have moved from Four Corners to the Annex Building.
- Customers that want to meet with engineering staff will have to go to that building.
- Modular coming in at end of August. It will be crowded.
- Meeting with BPA (Bonneville Power Administration). They are working on our rates decrease for the next two years. They are looking at 2028 contract. They have requested to have meetings. Preliminary talks. They want to meet with staff on moving forward on the new contract. BPA would like to meet with staff and come up with a list of concerns. Year long process.
- Need to set a date for the next GM Goals and Objectives. Need direction from the BOC on how to proceed. Some discussion.
- Need to set a date and time for new contract and recommendations regarding broadband strategy. Magellan should have their preliminary report at the end of month. Tentative date set for September 30, 2019, 10:00 a.m. at Chimacum Fire Hall.
- There are street lights that no one is paying the bill. The PUD is going to disconnect the lights. There may be some objection and complaints to turning off the lights. Someone will need to pay to have the lights on.

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

### **Corrections to draft minutes BOC Special Meeting 7/12/19, 7/15/19 and 7/16/19:**

- Typo on Page 2. Template should be spelled "template".
- First page – under Call to Order. Change "Regular Meeting" to "Special Meeting". This should be changed on all three Special Meeting minutes of 7/12, 7/15 and 7/19.

**MOTION:** Commissioner Jeff Randall made a motion to approve the minutes of the Jefferson County Board of Commissioners dated 7/12/19, 7/15/19 and 7/16/19 as amended. Commissioner Kenneth Collins seconded the motion. Motion carried unanimously.

**7.1.1 Resolution 2019-19 Titles and Bi-Weekly Salaries:** General Manager Kevin Streett gave an overview of the salary survey the PUD conducted. There was a revised copy of the survey handed out (Handout No. 1) at the meeting. There was some discussion.

### **PUBLIC COMMENT:** (topics abbreviated).

- Is there an organization chart or job descriptions? Response: Organizational chart was given to the BOC. There are job descriptions for each position that has an employee in it. The positions that are not filled do not presently have job descriptions but will when they become filled.
- Will public be able to see job descriptions? Response: Yes. As part of the recruitment

they will be on the website. They are public documents.

- Increases should be incremental and they should be automatic for people that want to stay in the organization.
- Is there a concern for retention or attracting employees? Response: both.
- How many employees are closing in on retirement age that is either affected in this group or in critical position like linemen?
- Is there a step system? How does it work? Response: GM explains process.
- A customer was impressed about how much work the PUD staff does in the water system here.

**MOTION:** Commissioner Kenneth Collins made a motion to adopt Resolution 2019-19 resetting Titles and Bi-Weekly Ranges for Non-Represented Employees as of June, 2019. Commissioner Dan Toepper seconded the motion. Motion carried unanimously.

Commissioner Dan Toepper requested a copy of the final version of the Organization Chart. General Manager Kevin Streett will email that out.

**7.1.2 Water Rate Increase:** Customer Services Manager Jean Hall gave a report. There would be some lead time before the fourth tier goes into effect. Customers would receive advance notice. There was considerable discussion. No action was taken.

**PUBLIC COMMENT:** (topics abbreviated).

- Separate structure for agriculture use.
- These accounts are strictly residential.
- Climate change. Snow packs. Concerns voiced about someone using 70,000 or 100,000 gallons of water.

Commissioner Kenneth Collins requested a printed breakdown that shows the distribution of the heavy users related to the systems that the customers are drawing on.

Commissioner Jeff Randall would like to see a draft press release or draft letter to customers about a notice of what is happening and why it is being done.

Commissioner Dan Toepper suggested having something in place to track the result of the before and after of this water rate increase being implemented.

**PUBLIC COMMENT:** (topics abbreviated).

- Court cases in California of water rates.
- Look at other tiers as well.
- Average customer uses 4,522 gallons. Threshold of 30,000 gallons too high.
- Kitsap County fourth tier. Look at how well it does or doesn't work.
- How long do you have before it starts causing a problem with our water system? Do we have a feel for that? Response: The PUD is taking this as a precautionary measure.
- Not happy with data. Need to have more updated data.
- Comment on illustration on website.
- Water rates chart.
- EES Report – kept same mistakes from last one.

There was direction to the staff to bring back proposal with more information.

**7.1.3 Water leak adjustments:** Customer Services Manager Jean Hall gave a report. This was brought to the BOC at the July 2, 2019, BOC meeting. This is a first look at the policy and second chance to discuss. This was aiming to set some standards for the water rate

adjustments. Customers that requested rate adjustments were about 52. They ranged anywhere from \$12.00 to two adjustments for \$3,000 total. It is a wide range.

**PUBLIC COMMENT: (topics abbreviated).**

- Need clarification on water usage in billing cycle – yearly or monthly.
- City of Port Townsend policy.
- What is the rationale for overbilling for the last six months? Response: That was part of customer service policy that was already approved.

**7.1.4 Tree Trimming:** General Manager Kevin Streett gave a report. Recommendation is to shift \$250,000 and put it into the tree trimming budget.

**PUBLIC COMMENT: (topics abbreviated).**

- Money well spent.
- Where are we in the tree trimming cycle? Length of that cycle? Response: Making small progress. Tackling big issues. A lot of work to do.

**MOTION:** Commissioner Jeff Randall made a motion to authorize the General Manager Kevin Streett to shift \$250,000.00 into the tree trimming budget. Commissioner Kenneth Collins seconded the motion. Motion carried unanimously.

**7.1.5 Communication Resolution discussion:** Commissioner Dan Toepper gave a report and handed out a draft document. There was some discussion. No action was taken.

**PUBLIC COMMENT: (topics abbreviated).**

- Comment: Good job on the flyer in last newsletter.

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

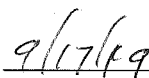
**9. ADJOURNMENT:**

Commissioner Jeff Randall declared the August 6, 2019, Regular Meeting of the Board of Commissioners of the Jefferson County Public Utility District No. 1 adjourned at 7:22 p.m.


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Minutes prepared by  
Recording Secretary Cammy Brown

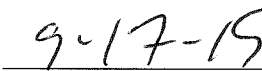
**Approved:**

  
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Commissioner Kenneth Collins, Secretary


  
\_\_\_\_\_  
Date

**Attest:**

  
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Commissioner Jeff Randall, President

  
\_\_\_\_\_  
Date

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

  
\_\_\_\_\_  
Date

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