



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

**September 3, 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 September 3, 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, General Manager  
Joel Paisner, General Counsel  
Will O'Donnell, Communications Manager  
Annette Johnson, Executive Assistant/Records Officer  
Mike Bailey, Financial Services Manager  
Jean Hall, Customer Service Manager  
Bill Graham, Interim Water OP Supervisor  
Bill Kolden, Interim Human Resources Director  
Don McDaniel, Consultant  
Kathy Feldman, Attorney at Karr, Tuttle & Campbell

Recording Secretary Cammy Brown

---

**1. CALL TO ORDER:**

Commissioner Jeff Randall called the regular meeting of the PUD Board of Commissioners for September 3, 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:**

**MOTION:** Commissioner Kenneth Collins made a motion to approve the agenda. Commissioner Dan Toepper 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.**

- Error on September 3, 2019 Agenda 4.3.1 - should say "July 2019 Financials" instead of "August 2019 Financials".
- Typos in the numbering of the Resolutions that are looking for approval. The numbers

are reversed. There is inconsistency. The BOC will verify anything on Consent Agenda before the resolution is adopted to make sure it is correct.

- Agenda revision earlier today – violates the Open Public Meetings Act (OPMA). RCW 2.30.077 states the agenda must be posted 24 hours in advance. Suggestion: A better course of action would have been to leave the original agenda posted and then amend the agenda at the meeting. Response: Conclusion drawn by the commissioners and the general counsel was that there was no difference between the agenda that was originally posted and the agenda that was followed at the meeting.
- Acknowledgment of first meeting when five SMOG members came to a PUD meeting to talk about meters. Appreciation was shown to the PUD.
- Calendar correction - September 6th meeting didn't have the time on it – should say 10 to noon.
- Members of APPA (American Public Power Association) received a \$3500 rebate on a lease through the APPA and PPC (Public Power Council) offered for PUD staff that purchase electric cars. Good until September 30, 2019.

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

Commissioner Jeff Randall requested the following be removed and placed under 7.0 Action Items Requiring Board Discussion:

- 4.3.1 2019 August Financials.
- 4.3.2 4<sup>th</sup> Tier Water Resolution 2019-21.
- 4.3.3 Water Segregation Resolution 2019-20.

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

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

Draft Minutes BOC Regular meeting 8/6/19.

#### **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:**

WARRANTS	AMOUNT	DATE
Accounts Payable: #120884 to #120931	\$ 182,708.12	8/15/2019
Accounts Payable: #120932 to #120985	\$ 509,472.42	8/22/2019
Payroll Checks: # 70633 to # 70638	\$ 9,983.72	8/23/2019
Payroll Direct Deposit	\$ 93,337.78	8/23/2019
<b>TOTAL INVOICES PAID</b>	<b>\$ 795,502.04</b>	
<hr/>		
<b>GRAND TOTAL</b>	<b>\$ 795,502.04</b>	

#### **4.3 ACTION ITEMS**

- 4.3.1 2019 August Financials- removed and placed under 7.0 Action Items Requiring Board Discussion.

- 4.3.2 4<sup>th</sup> Tier Water Resolution 2-19-21 – removed and placed under 7.0 Action Items Requiring Board Discussion.
- 4.3.3 Water Segregation Resolution 2019-20 – removed and placed under 7.0 Action Items Requiring Board Discussion.
- 4.3.4 FEMA

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

#### **END OF CONSENT AGENDA.**

---

### **5. COMMISSIONER REPORTS:**

#### **Commissioner Dan Toepper:**

- 8/21 Met with General Manager Kevin Streett.
- 8/22 Attended the Special Meeting on the Employee Manual Update.
- 8/29 Accompanied the General Manager Kevin Streett and three of the PUD's Water Department employees. Met with a single member of the Coyle water system and the Quilcene Fire Chief. The issues discussed were the Coyle water system and how the PUD is going to deal supply, maintenance and regulatory concerns on both the Quilcene and Coyle water systems.
- 9/3 Attended the Executive Session of the BOC.
- 9/4 to
- 9/5 Will attend meeting with PPC (Public Power Council) in Portland.
- 9/6 Will attend BOC Budget workshop.
- 9/9 Will attend Fire Chiefs' meeting in Port Ludlow along with General Manager Kevin Streett.
- 9/10 Will attend Strategic Planning Workshop.
- 9/11 Will meet with General Manager Kevin Streett.
- 9/12 Will attend General Manager's Goals and Objectives workshop.
- 9/14 Will attend Quilcene parade and work in PUD booth.
- 9/17 Will attend BOC Regular meeting.
- 9/18 to
- 9/20 Will attend WPUDA meeting in Snoqualmie.
- 9/24 to
- 9/27 Will attend Quarterly Water meeting in Leavenworth.
- 9/30 Will attend Magellan and dark fiber meeting.

#### **PUBLIC COMMENTS:**

- Question: What is the quarterly water meeting in Leavenworth?  
Response: Quarterly all the PUDs that are purveyors of water, which are about two-thirds of the utilities, get together and talk about roundtable items.
- Question regarding the Magellan meeting date and purpose.  
Response: On Sept. 30<sup>th</sup> the BOC will hear from Magellan on the broadband report.

#### **Commissioner Kenneth Collins:**

- 8/21 Met with Bill Kolden, Interim Human Resources Director.
- 8/22 Attended the Special Meeting on the Employee Manual Update.
- 8/23 Attended the Steering Subcommittee meeting for JBAT (Jefferson Broadband Action Team). This committee does planning and sets the agenda for the general meeting.
- 8/27 Met with a CAB member to have a discussion about the relationship between the CAB and BOC.
- 8/29 Attended JBAT meeting.
- 8/30 Met with General Manager Kevin Streett.
- 9/3 Met with General Counsel Joel Paisner.

- 9/3 Attended the Executive Session of the BOC.
- 9/6 Will attend BOC Budget workshop.
- 9/9 Will attend CAB.
- 9/10 Will attend Strategic Planning Workshop.
- 9/11 Will attend NoaNet Board meeting. NoaNet and Energy NW are now deep in discussion about a possible merger.
- 9/12 Will attend General Manager's Goals and Objectives workshop.
- 9/16 Will meet with General Manager Kevin Streett.
- 9/17 Will attend BOC Regular meeting.

**Commissioner Jeff Randall:**

- 8/21 and
- 8/23 Took a tour of the PUD's water system.
- 8/22 Attended CAB Low Income Subcommittee meeting.
- 8/23 Met with General Manager Kevin Streett.
- 8/23 Met with Cindy Jayne and Laura Tucker with the Climate Action Committee.
- 8/28 Attended the Climate Action Committee meeting. This group has developed and approved a "Climate Risk Screening" tool for use by agencies participating in the Climate Action Group. The intent of the checklist is to include potential climate impacts in agency decision making.
- 9/6 Will attend BOC Budget workshop.
- 9/10 Will attend Strategic Planning Workshop.
- 9/12 Will attend General Manager's Goals and Objectives workshop.
- 9/20 Will attend WPUDA meeting in Snoqualmie.
- 9/24 to
- 9/27 Will attend Quarterly Water Meeting in Leavenworth.

Commissioner Jeff Randall received a letter from one of his constituents concerning Glyphosate.

**6. GENERAL MANAGER REPORT.**

- The staff is moving out of 310 Four Corners Road. Shut down on September 13<sup>th</sup> at noon. The CSRs and office staff will be moved out of the 310 Four Corners Road by Saturday, September 14<sup>th</sup>. On Monday, September 16<sup>th</sup> the office will be closed for half a day to make sure all the equipment is running that we need to carry on business. At noon on September 16<sup>th</sup> the office will be opened at 210 Four Corners Road.
- The PUD Budget Hearing is published in the PT Leader on September 25<sup>th</sup> and October 2<sup>nd</sup>. The scheduled Budget Hearing is on October 7<sup>th</sup>. There is a budget review on the 6<sup>th</sup>. Hopefully if there are any questions moving forward from the 6<sup>th</sup> we will bring the budget to the BOC meeting on the 17<sup>th</sup> and try to get as many issues worked out as we can prior to the October Budget meeting. We do not show an increase on the property taxes.
- General Manager Kevin Streett introduced Samantha Harper as the new Water Engineer Supervisor.

Other hiring updates:

- On 9/5 a new lineman starts.
- On 9/12 a new GIS person starts.

**PUBLIC COMMENT:**

- Question: Is draft of the budget available? Response: The draft budget has been sent to the commissioners for review. Note: Budget will be available for the public and posted

online on September 6<sup>th</sup>.

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

- 4.3.1 On Agenda 2019 August Financials. Should be “July” Financials not “August” Financials. This is for information only. No action.

**PUBLIC COMMENT:**

- Public member had a question on rate study, financials and subsidizing.

There was a discussion on a cost of service study and when that might take place. All three commissioners were in consensus that a study needed to be done soon and one should be done for the commercial side of water.

- 4.3.2 4<sup>th</sup> Tier Water Resolution 2019-21. It was wrong in the packet but the one that was going to be signed at this meeting has the right number 2019-20.

**PUBLIC COMMENT:**

- Public Member made a comment on commercial accounts and water usage on the tier rate.

**MOTION:** Commissioner Jeff Randall made a motion to approve the resolution of the Board of Commissioner’s approving the addition of a fourth tier to the current PUD water rate. Commissioner Kenneth Collins seconded the motion. Motion carried unanimously.

- 4.3.3 Water Segregation Resolution 2019-20 – It was wrong in the packet but the one that was going to be signed at this meeting has the right number 2019-21.

**MOTION:** Commissioner Jeff Randall made a motion to approve the resolution ordering a segregation of an assessment on the assessment roll of Local Utility District No. 11. Commissioner Kenneth Collins seconded the motion. Motion carried unanimously.

7.1.1 **Employee Manual:** General Manager Kevin Streett gave a brief background report on the Employee Manual. At this time (5:55 p.m.) Kathy Feldman contracted attorney with the PUD who is a specialist in employment law, came into the conversation via telephone conferencing.

Key policies have been updated to conform to the current best practice. The discipline policy has been re-written so that it emphasizes management discretion. It is in compliance with what the law is now. It is user friendly and easy to navigate.

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

- Question: Can we do as much as possible to adopt by reference those things that we know are going to be changing or don’t even know but could well change in the future so you don’t have to go and constantly revise your own documents that reflects what is actually in other places?
- Comment about HR 706 Wellness Program.
- Numbers don’t match up. 3.03 is now 3.08.
- HR 3.08 – Employment of Relatives –rather keep old policy as stated in HR 3.03 rather than adopting a new HR 3.08.

- Opinion stated that prohibiting relatives from working at the PUD is a form of discrimination.
- Correction of Index needs to be done under HR 6.02 – take out Error! Bookmark not defined.”.
- Clarification asked on HR 3.13 Uniforms and Equipment. Last sentence – employees furnish his/her own small hand tools.

**MOTION:** Commissioner Jeff Randall made a motion that the Board of Commissioners of Jefferson County PUD adopt the Employee Handbook dated August 2019 which supersedes the prior existing employee policies previously adopted. Commissioner Kenneth Collins seconded the motion. Motion carried unanimously.

**7.1.2 Opt-Out Recommendation:** General Manager Kevin Streett gave a presentation and recommendation to move forward on the opt-out policy. This policy allows the PUD to let a customer have a different style of meter. There was a considerable amount of discussion and public comment. Listen to audio recording for details.

**7.1.3 CAB recommendation for low income:** Larry Dennison gave a report. The CAB’s recommendation is that the BOC increase the senior low income rate which is now \$20.00 to the \$39.50, which the PUD basically applies to the regular low income category. In essence it drops the discrimination. The budget impact is very minimal.

**PUBLIC COMMENT:**

- Need more clarification on determining household income and the methodology the PUD uses.

**MOTION:** Commissioner Jeff Randell made a motion directing staff to come back to the commissioners with a resolution that equalizes the two programs at \$39.50 per month. Commissioner Kenneth Collins seconded the motion. Motion carried unanimously.

**7.1.4 Strategic Plan questions/statements from BOC.** General Manager Kevin Streett requested that each commissioner prioritize one or two items from their vision statements that they submitted and requested direction from each.

**PUBLIC COMMENTS:**

- Clarification of the two dates for the strategic planning that were mentioned at the beginning of the meeting. Response: One was broadband and one was the budget.
- Future PUD Meetings:  
September 06, 2019 – Budget Workshop  
September 10, 2019 – Strategic Planning  
September 12, 2019 – General Manager’s Goals and Objectives  
September 30, 2019 – Broadband Workshop

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

9. **ADJOURNMENT:**

Commissioner Jeff Randall declared the September 3, 2019, Regular Meeting of the Board of Commissioners of the Jefferson County Public Utility District No. 1 adjourned at 8:04 p.m.

-----  
Minutes prepared by  
Recording Secretary Cammy Brown

Approved:

Kenneth Collins  
Commissioner Kenneth Collins, Secretary

10/15/19  
Date

Attest:

Jeff Randall  
Commissioner Jeff Randall, President

10/15/19  
Date

Daniel Toepper  
Commissioner Daniel Toepper, Vice President

10-15-19  
Date

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