



PUBLIC UTILITY DISTRICT NO. 1
of Jefferson County

January 2, 2018

**Board of Commissioners
Regular Meeting**

Final Minutes

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

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

Kevin Streett, General Manager
Debbie Lund, Human Resources and Communications Manager
Bill Graham, Resource and Conservation Manager
Richard Hughes, General Counsel
Will O'Donnell, Communications Manager
Annette Johnson, Executive Assistant and Records Administrator
Don McDaniel, Consultant

Cammy Brown, Recorder

1. **CALL TO ORDER:**

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

2. **AGENDA APPROVAL:** No changes, additions or corrections to the Agenda.

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

Commissioner Jeff Randall informed the general public of the new slate of officers for 2018.

3. **GENERAL PUBLIC COMMENT:**

There were comments from the general public. Interim General Manager Kevin Streett was asked to give an update on smart meters.

Handout No. 1: Public Testimony by Karen Sturnick (requested to be part of public record).

Handout No. 2: SMOG Information Sheet (requested to be part of public record).

Handout No. 3: Joey Pipia letter.

Handout No. 4: Expense Saving Category table. Handed out by Tom Engel.

4. APPROVAL AND ADOPTION OF THE CONSENT AGENDA:

Item 4.2 .2 removed from consent agenda and moved to Action Items Requiring Board Discussion.

Item 4.1.2 removed from consent agenda and moved to Action Items Requiring Board Discussion.

MOTION: Commissioner Wayne King moved to approve the consent agenda as amended, seconded by Commissioner Kenneth Collins. Motion carried unanimously.

4.1 APPROVAL OF MINUTES

- 4.1.1 Special Meeting - Governance 12-6-17 – approved.
- 4.1.2 BOC Budget and Regular meeting 12-12-17 (removed and moved to 6.0).
- 4.1.3 Special Meeting – GM Selection 12-19-17- approved.

4.2 CFO REPORT AND APPROVAL OF VOUCHERS

- 4.2.1 Financial Report.
- 4.2.2 Voucher Certification form with supporting warrant register and payroll. (removed and moved to 6.0)
- 4.2.2 BOC Approval of Voucher approval form. (removed and moved to 6.0)

4.3 RESOLUTIONS: None.

4.4 ACTION ITEMS:

- 4.4.1 TCF Update
- 4.4.2 GM Search Update
- 4.4.3 Food Policy HR-11

4.5 CAB REPORT:

- 4.5.1 Cab Update Report

4.6 STAFF REPORTS not requiring Board action.

- 4.6.1 Quote Spread Sheet Operations Nov. 2017.
- 4.6.2 HR BOC Report

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

4.8 CORRESPONDENCE – not requiring Board action

5. COMMISSIONERS' REPORTS: Each commissioner gave a report.

6. ACTION ITEMS REQUIRING BOARD DISCUSSION:

4.1.2 Correction to Minutes of 12-12-17: Correction was made to reflect that all meetings in December were “special meetings” due to the fact that there was a change of venue to the Jefferson County Transit Conference Room. The meeting on 12-12-17 was not a “Regular PUD Meeting” but a special meeting.

In the minutes dated 12-12-17, page 3, 6.0.01 Broadband Strategy Choices. “Commissioner Kenneth Collins requested that the slides that he had used for presentation on Marrowstone Island be included in the packet”. It should read “Commissioner Kenneth Collins stated that the slides that he had used for presentation on Marrowstone Island were included in the packet”.

In the minutes dated 12-12-17, page 3, 6.0.03 Work Plan Budget for Water Street Project: “Commissioner Kenneth Collins gave an overview of the project”. It should read “Interim General Manager Kevin Streett gave an overview of the project”.

MOTION: Motion was made by Commissioner Kenneth Collins to approve the minutes of December 12, 2017, with changes. Motion was seconded by Commissioner Wayne King. Motion carried unanimously.

4.4.4 Voucher Certification form with supporting warrant register and payroll.

PENDING INVOICES OVER \$100,000 TO BE APPROVED:
 NONE
 PAYMENTS TO BE APPROVED:

Warrants	Amount	Date
Accounts Payable: # 115584 to # 115684	\$ 452,963.12	11/16/2017
Accounts Payable: # 115685 to # 115759	\$ 326,725.29	11/30/2017
Accounts Payable: # 115760 to # 116000	\$ 157,183.80	12/06/2017
Accounts Payable: # 116001 to # 116047	\$ 198,929.93	12/07/2017
Accounts Payable: # 116047 to # 116109	\$ 448,900.27	12/14/2017
Accounts Payable: # 116110 to # 116110	\$ 10,666.27	12/15/2017
Accounts Payable: # 116111 to # 116206	\$ 173,313.84	12/20/2017
Payroll Checks: # 70379 to # 70384	\$ 9,930.16	11/17/2017
Payroll Checks: # 70385 to # 70391	\$ 13,069.99	12/01/2017
Payroll Checks: # 70392 to # 70398	\$ 12,280.58	12/15/2017
Payroll Direct Deposit:	\$ 95,517.75	11/17/2017
Payroll Direct Deposit:	\$ 118,496.61	12/01/2017
Payroll Direct Deposit:	\$ 89,861.06	12/15/2017
TOTAL INVOICES PAID	\$ 2,107,838.67	
WIRE TRANSFERS PAID	AMOUNT	DATE
BPA	\$ 1,477,264.00	12/14/2017
GRAND TOTAL	\$ 3,585,102.67	
Voided Warrants 115220	\$ 1,480.35	
115862	\$ 10,666.27	

MOTION: Commissioner Jeff Randall moved to approve the Voucher approval form, seconded by Commissioner Wayne King. Motion passed unanimously.

Vouchers: Commissioner Kenneth Collins brought up the concern the employees of the PUD had of the practice of listing their names and addresses in the financial documents in a public

format. Commissioner Kenneth Collins voiced his recommendation that the addresses not be there. Interim General Manager Kevin Streett recommended that the names and addresses of the employees not be identified with the salary information. Commissioner Kenneth Collins mentioned that he will speak with the employees.

FOCUS AND GOALS:

6.1 Governance Policy – Review Focus Points. Interim General Manager Kevin Streett gives a presentation on long and short term goals. He would like to use this Governance Policy as a way to talk to the Board about future projects both short term and long term. Also included would be some items out of the budget and it would also tie into some future meetings. Management and staff would like to talk to the Board on issues that they look at for long term projects and goals. This goes back to the meeting where we had George Caan from WPUDA come and speak with the Board on Governance Policies and spoke about the role of the Board and setting policies, setting strategic plans and directing the staff. One of the ideas that were discussed in the past was community solar fields in Port Townsend next to the substation. The PUD owns that piece of property. There was discussion about renaming that substation. The staff would like the BOC to move forward on those types of projects. Another example would be facilities –not only long term architectural work but some minor upgrades in the Chimacum office.

6.2 Visions for 2018 – Short Term Goals. Commissioner Jeff Randall asked each commissioner to offer suggestions on short term goals and then possibly ask the audience for suggestions. Interim General Manager Kevin Streett requested some suggestions on the short term goals dates and times.

Commissioner Wayne King's Suggestions for Short Term Goals for 2018:

- June/July – look at community solar field in Port Townsend.
- PUD facilities at Chimacum Road – clean up the back room in the storage room.
- More interaction with the public.
- More interaction with the school students.

Commissioner Kenneth Collins' Suggestions for Short Term Goals for 2018:

- Stabilizing the PUD. Working through the process of hiring a permanent General Manager, hiring a new Chief Financial Officer, filling a number of vacant positions.
- Resolve the Smart meter issue.
- Prioritize the improvements that are needed in the water system.
- Prioritize the improvements that need to be made to strengthen the electrical distribution system to insure greater reliability.
- Be on top of what is going on with the facility remodel plans which includes both the expansion plan at Four Corners and the improvements to the Chimacum facility. We are going to be bringing some key people in to our organization and we need to have facilities that look professional.

Commissioner Jeff Randall's Suggestions for Short Term Goals for 2018:

- Commissioner Randall agrees with Commissioner King and Commissioner Collins on their short term goals.
- Look at community solar at the site adjacent to our substation in Port Townsend.
- Public outreach. Provide some listening sessions throughout the county. Have one meeting in each voting district.
- Concur with Commissioner King in working with the schools. We are a major employer

in this county and we provide good jobs and wages. We should look to continue for ways to help educate the students of all the school districts in this county about the opportunities of working in the utility industry.

Comments from the Public on 2018 Visions, Goals or Worklist:

- Community Solar item – the new school – Grant Street. Designed to have solar on the roof. This would be a good opportunity to use that twelve acre site as a place to install a community solar farm and provide education to the students.
- Clarify what short term goals are.
- A lot of the things really cover the vision of the organization. One of the things you need to consider is that there are elements to that vision that are included in your strategic plan. For example: financial integrity, rate stability, employee growth, community involvement. The organization needs to have a work plan that will hopefully support these elements within the strategic plan. This is an important criteria to start with. When the new General Manager comes in and goals are set for that person, you certainly want them to reflect your strategic vision for the PUD. That way that person can take these elements that you have in here and begin to set goals and objectives and work plans and benchmarks so the organization has some feedback and some ownership for the things that the BOC feel are important.
- There were a couple of things that were in the strategic plan that the PUD has accomplished. The PUD brought the Energy Conservation Rebate Program in house because there was talk about making it more efficient by bringing it in house. There is a chance to go through the strategic plan and update it and look ahead to things the PUD would like to accomplish.
- Continue to study broadband and come to an understanding of what should be the goal of the PUD and broadband. Some of the things that might be included would be maybe drafting an initial set of visions and goals and plan that out. Getting input from the public and seeing what fits and what doesn't. Put together what we have learned from other PUDs and some other organizations in the State of Washington and outside the State of Washington and put it together in kind of a library system so people can access the information. Formalize what our view on the goal with PUD and broadband is and what ultimately is the goal that might be partnership goals with other organizations.
- Define what the PUD is trying to accomplish in broadband and how we are going to do it.
- Put on public forums where the PUD is not focused on business but focused on broader issues.
- Figure out a way to educate, update and ask the public – smart meters – yes or no?
- Putting power lines underground. Safety.
- Putting something in with the bills to inform the public of what is going on with the PUD.
- Selecting a neighborhood where it would be challenging to have broadband and establishing broadband in that neighborhood.
- At a meeting when we are talking about strategic planning or the governance policy or public outreach coming back with that list or even talking about priorities for the rest of the year and picking some items that we can have some workshops for like community solar, etc.

Interim General Manager Kevin Street will submit a summarization and where there is a lot of agreement there will be a request that the PUD move forward on the projects. The goal is to move forward and put dates and times to accomplish them.

6.3 2018 – 3028 Long Term Projects/Goals: Interim General Manager Kevin Streett goes over the financial forecast in the packet. This forecast has to do with the long term

planning in projects involving electricity, water, sewer and broadband.

7.0 FUTURE ITEMS:

- EES update
- Broadband
- Smart meters update
- Handout No. 4 – Expense/Saving Category grid (discuss).
- Vacancies in PUD. Report from Human Resources Director.
- Process for complete short and long term goals.
- Dana Roberts project – submitting information out to the public.
- RUS

8.0 SIGNING OF DOCUMENTS: Documents were signed by the commissioners during the public meeting.

9.0 ADJOURNMENT

MOTION: Commissioner Wayne King made a motion to adjourn the January 2, 2018, Regular Meeting of the Jefferson County PUD and Commissioner Kenneth Collins seconded the motion. Motion carried unanimously.

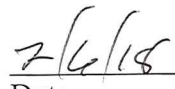
Meeting was adjourned at 7:05 p.m.

Minutes prepared by
Cammy Brown, PUD Recorder

Approved:



Commissioner Kenneth Collins, Secretary



Date

Attest:



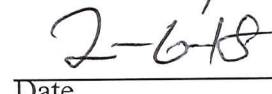
Commissioner Jeff Randall, President



Date



Commissioner Wayne King, Vice President



Date

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