



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

**June 1, 2021**

**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 June 1, 2021. The meeting was held remotely via Zoom. Present:

Commissioner Dan Toepper, President  
Commissioner Kenneth Collins, Vice President  
Commissioner Jeff Randall, Secretary  
Kevin Streett, General Manager  
Joel Paisner, General Counsel  
Annette Johnson, Executive Assistant/Records Officer  
Samantha Harper, Engineering Director  
Melanie Patterson, Human Resources Director  
Will O'Donnell, Communications Director  
Scott Bancroft, Operations Director  
Lori Rae, Operations Supervisor  
Don McDaniel, Consultant  
  
Cammy Brown, PUD Recording Secretary

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**1. CALL TO ORDER:**

Commissioner Dan Toepper called the regular meeting of the Jefferson County PUD No. 1 Board of Commissioners for June 1, 2021, to order at 5:00 p.m.

Commissioner Dan Toepper began the meeting by reading the Governor's Extended Proclamation 20-28. A roll call was taken. All three commissioners were present. A quorum was established.

**2. AGENDA REVIEW.** General Manager Kevin Streett announced there will not be an Executive Session.

**MOTION:** Commissioner Kenneth Collins made a motion to approve the agenda as amended. Commissioner Jeff Randall seconded the motion. Motion carried unanimously.

**3. PUBLIC COMMENT:** Commissioner Dan Toepper presented the guidelines for members of the public to submit their comments.

- **Comment:** Fire season – clear cuts. A lot of slash on the ground. A lot of small timber. It wouldn't take very long for a fire to get to 104 to Four Corners. Especially with the south wind. Hope we are doing more than the minimum.

**4. CONSENT AGENDA:** Commissioner Dan Toepper read the Consent Agenda guidelines.

Commissioner Kenneth Collins made a correction to the Minutes of March 3, 2021.  
Item No. 2 Motion “as modified” instead of “dos modified”.

**MOTION:** Commissioner Kenneth Collins made a motion to approve and adopt the Consent Agenda as presented. Commissioner Jeff Randall seconded the motion. Motion carried unanimously.

**4.1 PRIOR MINUTES:**

PUD BOC Special Mtg. Min. 02-23-2021.  
PUD BOC Regular Meeting Minutes 3-16-2021.

**4.2 VOUCHERS**

Voucher Approval Form for the Commissioners.  
Voucher Certification with Supporting Warrant Register & Payroll.

**VOUCHER CLAIM FORMS FOR INVOICES PAID:**

<b>WARRANTS</b>	<b>AMOUNT</b>	<b>DATE</b>
Accounts Payable: #126209 to #126275	\$ 526,801.09	05/13/2021
Accounts Payable: #126276 to #126277	\$ 500.67	05/14/2021
Accounts Payable: #126278 to #126312	\$ 374,094.58	05/20/2021
Payroll Checks: # 70893 to # 70899	\$ 10,432.88	05/14/2021
Payroll Direct Deposit	\$ 130,775.08	05/14/2021
<b>TOTAL INVOICES PAID</b>	<b>\$ 1,042,604.30</b>	
<b>WIRE TRANSFERS PAID</b>	<b>AMOUNT</b>	<b>DATE</b>
BPA	\$1,558,529.00	05/11/2021
BPA	\$ 20,000.00	05/21/2021
<hr/> <b>PAYMENT TOTAL</b>		<b>\$2,621,133.30</b>

**4.3 FINANCIAL REPORT: .**  
April 2021 Financials.

**4.4 Calendar**  
PUD Calendar June 1, 2021.

**4.5 ILA w/ Whatcom PUD for Bilateral Transfer of EEI funds from BPA**  
AR Whatcom EEI Fund Transfer 2.  
Bilateral Transfer Form May 252021.  
Interlocal Exhibit A Jefferson PUD Approved Doc. May 25, 2021.  
Interlocal Agreement Jefferson PUD Approved Doc. May 25, 3032.

**END OF CONSENT AGENDA.**

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**5. MANAGER AND STAFF REPORTS:**

**Loan Program through RUS for Weatherization and Other Savings.** Finance Director Mike Bailey gave a report on the Rural Energy Savings Program. The program allows the PUD to borrow money from RUS at zero percent and then lend it out to its customers for energy efficiency programs. This is for both residential and business customers. There was considerable discussion. Details may be heard on audio recording at [www.jeffpud.org](http://www.jeffpud.org).

**Port Hadlock Sewer.** Engineering Director Samantha Harper gave a report on the Port Hadlock sewer. The Jefferson County Public Works staff would like to give the BOC a presentation on the status of the Port Hadlock sewer. At the presentation there will be a status update.

**No public comment.**

**Meeting Scheduling:** General Manager Kevin Streett announced there will be no special meetings in July.

**Broadband Update:** General Manager Kevin Streett gave an update. The PUD staff is moving forward with documentation to become an ISP (Internet Service Provider) and working on grants. There was considerable discussion. Details may be heard on audio recording at [www.jeffpud.org](http://www.jeffpud.org).

## **6. OLD BUSINESS:**

**6.1 Electric Rate Increase 2021-2024.** Customer Service Director Jean Hall gave a presentation going over the details of the electric rates increase. There was considerable discussion.

### **Public Comment:**

- **Comment:** The PUD is already overshooting the goal. That is why the PUD's tier number is so high. Your tier number is high either because you are not investing enough, or you are over collecting. This is not a good year for a raise. Our sales increases look like about 2% over last year and that's been true for the last 16 months, with the exception of last October which was a bad month for sales. Another reason we don't need a rate increase is because we just returned to 2.1 million dollars to the general fund from our reserves. Our reserves appear to be more than adequate. Our rates as they appear to be more than adequate. Our revenues have exceeded our budget by several million for the last several years.
- **Comment:** Revenue causation - large industrial customers for the last four months have used 21% of the electricity and provided 13% of the revenue. There is a 4 million dollar a year gap raising the PUD's basic rate another 16%. That gap should be about 2.6 million a year and not 4 million a year according to the rates we inherited since we have raised basic rate 376% or whatever. We have really skewed the relationship between the revenues that the public provides and the revenues that the rest provides We are just exacerbating that. We need a plan that will make that subsidy smaller. We are not supposed to be subsidizing from one class across the other.
- **Comment:** Capacity and Loan Argument. If everybody used as much electricity as they could, there would not be enough electricity. I think it is all about load. I don't think it is about capacity. That is just penalizing people for conserving.

**MOTION:** Commissioner Jeff Randall made a motion to approve a resolution of the Board of Commissioners of PUD No. 1 of Jefferson County revising, updating, and approving certain changes to the PUD electrical rates. Commissioner Kenneth Collins seconded the motion. Motion carried unanimously.

**6.2 Construction Surcharge for Water Customers.** Customer Service Director Jean Hall gave a report.

**6.3 PUD ICC and EDC Representative Selection.** General Manager Kevin Streett gave a report on putting together another ICG (Interlocal Collaborative Group) to help work through some of the questions that are going to come up with the EDC (Economic Development Council). Who will be the representative to the subcommittee? This is a temporary subcommittee. There was some discussion. There was a request that this representative position be rotated. There

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should be no monopoly who represents the PUD as it relates to economic development. It was the consensus of the commissioners that Commissioner Jeff Randall would be the representative on the subcommittee and that the appointment would be a one-year term.

7. **NEW BUSINESS:** Commissioner Dan Toepper read the guidelines.

**7.1 Review of Meeting Agenda and Roberts Rules of Orders.** Commissioner Dan Toepper received an email from a member of the public. Agenda did not allow for public member before the calling of the question. There was some discussion. Public comment part was missed. Commissioner Dan Toepper read his response into the record.

Under an item in New Business. Commissioner Dan Toepper thought there was an unspoken rule about first touch. That really should have been a first touch without a motion coming up. Is the commission getting away from New Business being first touch? The commission should strive for that to be first touch. There was some discussion. All three commissioners agreed that New Business should be a two-touch process.

**No public comment.**

**7.2 Interlocal Agreement with the City of PT for LED Streetlights.** General Manager Kevin Streett briefly went over what the Interlocal Agreement with the City of Port Townsend for LED Streetlights entails. The PUD will receive approximately \$200,000 from the City of Port Townsend for labor and materials.

**No public comment.**

**MOTION:** Commissioner Jeff Randall made a motion that the Board of Commissioners authorize the General Manager of the Jefferson County Public Utility District No. 1 to sign the Interlocal Agreement between the City of Port Townsend and Public Utility District No. 1 of Jefferson County for installation of LED streetlights. Commissioner Kenneth Collins seconded the motion. Motion carried unanimously.

**7.3 Commissioner Correspondence.** Communications Director Will O'Donnell gave a report on keeping better track of the correspondence coming in for all three commissioners and looking for some policies on how to respond. Jefferson County Board of Commissioners' model of having the correspondence logged would be the easiest way to track from the public what's coming in and out. Options were discussed. More research will be conducted.

Chat Comment from public member: There have been numerous times in the past where I only heard from commissioners outside my own district.

8. **COMMISSIONER REPORTS.**

**Commissioner Jeff Randall:**

5/19 and  
5/20 Participated in WPUDA Telecom Conference.  
5/21 Met with General Manager Kevin Streett.  
5/25 Attended PUD BOC Special Meeting – Broadband.  
5/27 Attended NODC (North Olympic Development Council) meeting. (report).  
6/15 Will attend PUD BOC Regular meeting.

**Commissioner Dan Toepper:**

5/19 Participated in WPUDA Telecom Conference. (report).

- 5/20 Attended Interlocal Collaborative Group (ICG) meeting.
- 5/21 Attended JBAT meeting.
- 5/21 Met with General Manager Kevin Streett.
- 5/25 Attended PUD BOC Special Meeting – Broadband.
- 5/26 Met with General Manager Kevin Streett.
- 5/27 Met with Operations Director Scott Bancroft on Peterson Lake Project.
- 6/02 Will attend PPC (Public Power Council) member forum.
- 6/03 Will attend PPC Executive Committee meeting.
- 6/04 Will meet with General Manager Kevin Streett.
- 6/04 Will listen in on JBAT meeting.
- 6/09 Will attend Public Infrastructure Board Meeting.
- 6/10 Will attend PUD BOC Special Meeting with PPC.
- 6/14 Will attend CAB meeting as a BOC representative.

**Commissioner Kenneth Collins:**

- 5/19 Attended WPUA Telecom Conference.
- 5/21 Had a conversation with PUD Consultant Don McDaniel.
- 5/24 Meeting by phone with General Manager Kevin Streett.
- 5/25 Attended PUD BOC Special Meeting – Broadband.
- 5/28 Attended JBAT Executive Committee meeting. (report).
- 6/02 Will attend the general meeting of the PPC.
- 6/03 Will attend PURMS Board Meeting.
- 6/04 JBAT meeting has been cancelled.
- 6/10 Will participate in WPUA Strategic Planning Meeting.
- 6/11 Will attend JBAT Executive Committee meeting.

**9. EXECUTIVE SESSION: Removed from Agenda.**

**10. ADJOURNMENT:**

Commissioner Dan Toepper declared the June 1, 2021, Regular Meeting of the Board of Commissioners of the Jefferson County Public Utility District No. 1 adjourned at 7:29 p.m.

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 Minutes prepared by  
 Recording Secretary Cammy Brown

**Approved:**

\_\_\_\_\_  
 Commissioner Jeff Randall, Secretary

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 Date

**Attest:**

\_\_\_\_\_  
 Commissioner Dan Toepper, President

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 Commissioner Kenneth Collins, Vice President

\_\_\_\_\_  
 Date

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