

Special Meeting Agenda

PUD Board of Commissioners

PUD Financial Update and PUD
Priorities

Tuesday, February 14, 2023 9:00 AM
310 Four Corners Rd./and per ZOOM
Port Townsend, WA 98368



To join online go to: <https://zoom.us/my/jeffcopud>. Follow the instructions to login. Meetings will open 10 minutes before they begin. TOLL FREE CALL IN #: 833-548-0282, Meeting ID# 4359992575#. Use *6 to mute or unmute. *9 to raise a hand to request to begin speaking.

1. Call to Order

With the adoption by the Washington State Legislature of ESHB 1329, providing for both virtual and in-person meetings to be held, JPUD will be offering both virtual on-line meetings as well as in-person meetings, unless advance notice is provided. In person attendance will be limited to provide sufficient space and masking is encouraged. Online participant audio will be muted upon entry. Please unmute at the appropriate time to speak. If you are calling in, use *6 to mute and unmute and*9 to raise a hand to request to speak.

2. Agenda Review

Recommended Action: Approve a Motion to adopt agenda as presented

3. Executive Session

Per RCW 42.30.110 (1) (i) To discuss with legal counsel potential litigation to which the PUD is likely to become a party.

4. PUD Financial Update

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[2022 Year-End Review and 2023 Financial Update](#) 

5. PUD Priorities

6. Consulting Costs to Review, Policies and Procedures

17

[Review Broadband Financial Rates 02022023 Agenda Review.docx](#) 

Recommended Action:

Approve a motion directing staff on next steps.

7. PUD Minutes Discussion

18 - 27

[Agenda report Action only minutes 002 020823.docx](#) 

[PUD BOC Regular Meeting 01-04-2022 Minutes Final-1.pdf](#) 

[07072010 BOC reg mtg Action only Minutes.pdf](#) 

Recommended Action:

Discussion and approve a motion directing staff on next steps.

8. Adjourn

Jefferson County PUD Finance Update

Mike Bailey

Finance Director

February 14, 2023

Disclaimer

- The amounts shown for 2022 Year End are subject to change
- Audit work still being completed by Bolinger, Segars, Gilbert & Moss
- Annual Reports will be filed by March 31st Deadlines
 - Rural Utilities Services Form 7 for Electric
 - US Department of Agriculture Rural Development Form 442 & 443 for Water

2022 Year End Summary

	Electric	Water	Combined
Operating Revenues	\$42,746,814	\$3,710,714	\$46,457,528
Total Cost of Services	\$37,337,809	\$3,458,555	\$40,796,364
Operating Margins	\$5,409,005	\$252,159	\$5,661,164
Non-Operating Margins	\$2,698,902	\$325,044	\$3,023,946
Total Margins	\$8,107,907	\$577,203	\$8,685,110

2022 Electric Actuals to Budget

	Budget	Actuals	Variance
Operating Revenues	\$40,094,599	\$42,746,814	\$2,652,215
Total Cost of Service	\$42,331,973	\$37,337,809	(\$4,994,164)
Operating Margins	(\$2,237,375)	\$5,409,005	\$7,646,380
Non-Operating Margins	\$2,105,010	\$2,698,902	\$593,892
Total Margins	(\$132,365)	\$8,107,907	\$8,240,272

2022 Water Actuals to Budget

	Budget	Actuals	Variance
Operating Revenues	\$2,757,235	\$3,710,714	\$953,479
Total Cost of Service	\$4,079,144	\$3,458,555	(\$620,589)
Operating Margins	(\$1,321,909)	\$252,159	\$1,574,068
Non-Operating Margins	\$247,535	\$325,044	\$77,509
Total Margins	(\$1,074,374)	\$577,203	\$1,651,577

Types of Margins

Operating Margins

- Operating Revenues minus Total Cost of Service

Non-Operating Margins

- Contribution Aid in Construction
- Property Taxes and Timber Sales
- Interest Income

How are
Margins
Used?

Principal Payments on Long-
Term Debt

Reinvested into the Utility

Material Inventory

Cash Reserves

2022 Year End Cash Summary

	Actual Balance	Budgeted Balance	Variance
Restricted Cash	\$1,479,433	\$1,635,428	(\$155,995)
Unrestricted Cash	\$5,378,191	\$6,386,916	(\$1,008,725)
Total	\$6,857,624	\$8,022,344	(\$1,164,720)

Cash Flow

Jefferson County PUD No. 1

Year End Cash and Cash Equivalents Balances

2017 to 2022

	2017	2018	2019	2020	2021	2022
Special Funds	\$1,522,818	\$1,567,140	\$1,599,875	\$563,891	\$265,067	\$183,533
Cash - General Funds	\$4,040,493	\$4,492,595	\$2,100,554	\$745,223	\$1,401,239	\$1,696,433
Temporary Investments	\$12,360,937	\$13,136,457	\$13,927,985	\$11,621,810	\$10,220,866	\$4,977,658
Total Cash and Cash Equivalents	\$17,924,248	\$19,196,192	\$17,628,414	\$12,930,924	\$11,887,172	\$6,857,624
Change in Reserves Year to Year		\$1,271,944	(\$1,567,778)	(\$4,697,490)	(\$1,043,752)	(\$5,029,548)

Electric Utility Ratios

	2021	2022	2023 Budget
TIER	2.32	4.00	1.74
OTIER	1.51	3.22	1.17
DSC	1.94	1.64	1.51
ODSC	1.59	1.30	1.28
12 Month Rolling TIER	2.32	4.00	

2023 Budget

	Electric	Water	Broadband	Combined
Operating Revenues	\$46,009,532	\$4,915,051	\$828,070	\$51,752,653
Total Cost of Service	\$45,543,764	\$4,559,401	\$1,978,557	\$52,081,722
Operating Margins	\$465,768	\$355,650	(\$1,150,487)	(\$329,069)
Non-Operating Margins	\$1,575,886	\$719,525	\$805,000	\$3,100,411
Total Margins	\$2,041,654	\$1,075,175	(\$345,487)	\$2,771,342

2023 Capital Budget

Broadband--\$15,172,062

Electric--\$6,044,500

Water--\$3,477,419

Fleet--\$298,468

Miscellaneous--\$135,000

Building and Yard Improvements--\$465,650

Looking Ahead in 2023

RUS Loan Funds Received \$5.4 Million

- \$1.3 Million Reimburse General Fund for Otto St. Building Purchase
- \$4.1 Million for the AMI Meter Project

RESP (Rural Energy Savings Program) Loan for \$5 Million

- Allowing the PUD to loan funds for Energy Savings Projects

Grant Fund Reimbursements for Broadband Projects

Review shared cost allocations between Electric, Water, and Broadband

Continue Improving on financial Reporting to the Board and Directors

Long-Term Debt

Lender (Loan Designation)	Loan Maturity Year	Outstanding Principal (1/23)	Loan Purpose
Rural Utilities Services	2041	\$89,283,321	To purchase the Electric Assets of East Jefferson County from PSE
US Bank Bond Services	2026	\$633,000	LUD # 14 Marrowstone Island
USDA Rural Development	2043	\$2,189,243	Transfer of Water Assets within the Tri-Area portion of the Quimper System with the City of Port Townsned
Eric Thomas (Kala Point)	2023	\$50,000	Purchase the rights to the Kala Point Water System
Peterson Family	2026	\$506,561	Purchase Peterson Lake and the surrounding land to perserve water consveration
WA State Public Works (PW05-691-024)	2025	\$152,327	LUD #15 Beckett Point Large On-Site Septic System
WA State Public Works (PW05-691-025)	2025	\$326,419	LUD # 14 Marrowstone Island
WA State Drinking Water (DM10-952-018)	2044	\$591,517	Treatment Sparling Well, Quimper Water System
WA State Drinking Water (DM12-952-091)	2035	\$353,925	Kala Point Acquisition, Upgrade, Consolidation
WA State Drinking Water (DM13-952-177)	2035	\$548,178	Sparling Well Treatment Plant
		\$94,634,491	



AGENDA REPORT

DATE: February 14, 2023
TO: Board of Commissioners
FROM: Kevin Streett, General Manager
RE: Review of Broadband, PUD Finance Policies and Procedures and PUD Rates and Fees

BACKGROUND: PUD commissioners requested a review of 3 areas in the PUD.

- ? Broadband
- ? PUD Finance Policies and Procedures
- ? PUD Rates and Fees

ANALYSIS/FINDINGS: Staff has contacted 3 consultant companies for this review. EES would review Broadband. Moss Adams would review Financial Policies and Procedures. FCS would review Rates. The consultants would work with staff to compile information and also work with the commissioners during special board meetings. Once a review is complete the findings would be presented to the commissioners at a board meeting.

FISCAL IMPACT: At this time, we have estimates for this work to be completed.

- ? EES estimate is \$20,000.
- ? Moss Adams estimate is \$70,000.
- ? FCS estimate is \$75,000.

This pricing might change if the final scope of work changes during workshops with the commissioners.

RECOMMENDATION: A discussion with the board about the need for oversight and the cost to bring in expert consultants to complete the work. A motion would be asked for if the commissioners decide to move forward with this project.



AGENDA REPORT

DATE: February 14, 2023
TO: Board of Commissioners
FROM: Kevin Streett
RE: Changing PUD minutes to “Action only” minutes

BACKGROUND: In order to streamline the time it takes to write-up the PUD meeting minutes, staff is requesting that the minutes be changed to record “Action only items”. Roberts Rules of Order says: “Minutes should record what was done not what was said. Minutes should include decisions made, postponements and referral to committee”. Since our meetings are recorded and are readily accessible right after the meeting is done, anyone can listen or watch the meeting right away. With having the meetings being written-up as “action only”, they could be posted sooner.

ANALYSIS/FINDINGS: Write-up the minutes to reflect the action taken from what was posted on the agenda.

FISCAL IMPACT: This will save time and money to keep the minutes action only.

RECOMMENDATION: Beginning February 21, 2023, have all PUD minutes written-up to reflect Action only.

pdf



**PUBLIC UTILITY DISTRICT NO. 1
of Jefferson County
January 4, 2022
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 4:00 p.m. on January 4, 2022, via Zoom. Present:

- Commissioner Kenneth Collins, President
- Commissioner Jeff Randall, Vice President
- Commissioner Dan Toepper, Secretary
- Kevin Streett, General Manager
- Joel Paisner, General Counsel
- Will O'Donnell, Communications Director
- Jean Hall, Customer Service Director
- Mike Bailey, Finance Director
- Samantha Harper, Engineering Director
- Melanie Patterson, Human Resources Director
- Scott Bancroft, Operations Director
- Alyson Dean, Purchasing/Stores
- Annette Johnson, Executive Assistant/Records Admin.
- Don McDaniel, Consultant
- Cammy Brown, Recording Secretary

1. CALL TO ORDER:

Commissioner Kenneth Collins called the Regular Meeting of the Jefferson County PUD No. 1 Board of Commissioners for January 4, 2022, to order at 4:00 p.m. and read the Governor's Extended Proclamation 20-28 in response to the COVID-19 pandemic. All three commissioners were present. It was determined there was a quorum.

2. AGENDA REVIEW: Commissioner Kenneth Collins read the agenda item
There were no additions or corrections to the agenda.

MOTION: Commissioner Jeff Randall made a motion to accept the agenda as presented. Commissioner Dan Toepper seconded the motion. Motion carried unanimously.

3. PUBLIC COMMENT: Commissioner Kenneth Collins presented the guidelines for members of the public to submit their comments.

- **Comment:** Concerned about vaccine mandate and exposure it has given the PUD for legal action. Asking the PUD to withdraw the mandate.
- **Comment:** Employees that were lost because of vaccine mandate. No other PUD in the state has adopted this vaccine mandate. Why not?
- **Comment:** Appreciation to BOC for the job they have done in the past year. Appreciate involvement that the commissioners have in the community and the PUD community.
- **Comment:** Would like BOC to reconsider vaccine mandate. Commending PUD for getting power back.
- **Comment:** Would like PUD to reconsider plan for the Sims Way Project.

- **Comment:** Three employees let go from PUD because of vaccine mandate. Why was Titan let go when the PUD is going to accept another company that is unvaccinated?

4. CONSENT AGENDA: Commissioner Kenneth Collins read the Consent Agenda guidelines.

MOTION: Commissioner Dan Toepper 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 Regular Meeting 09-21-2021 Draft Minutes.
- PUD BOC Regular Meeting 09-07-2021 Draft Minutes.
- PUD BOC Spec. Meeting 09-15-2021 Executive Session – Draft Minutes.
- PUD BOC Spec. Meeting 09-21-2021 Executive Session – Draft Minutes.
- PUD BOC Spec. Meeting 08-23-2021 Draft Minutes.
- PUD BOC Spec. Meeting 09-14-2021 Draft Minutes
- PUD BOC Spec. Meeting 10-14-2021 Draft Minutes

4.2 VOUCHERS AND WRITE OFFS.

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

PAYMENTS TO BE APPROVED

WARRANTS	AMOUNT	DATE
Accounts Payable: #127780 to #127835	\$ 851,343.22	12/09/2021
Accounts Payable: #127836 to #127892	\$ 383,386.42	12/16/2021
Accounts Payable: #127893 to #127946	\$ 494,882.98	12/23/2021
Payroll Checks: #70968 to #70970	\$ 6,768.02	12/10/2021
Payroll Checks: #70971 to #70973	\$ 5,789.33	12/24/2021
Payroll Direct Deposit:	\$ 162,786.45	12/10/2021
Payroll Direct Deposit:	\$ 156,475.17	12/24/2021
TOTAL INVOICES PAID:	\$ 2,061,431.59	

WIRE TRANSFERS PAID	AMOUNT	DATE
BPA	\$1,395,544.00	12/13/2021

PAYMENT TOTAL **\$3,456,975.59**

VOIDED WARRANTS:

127894	\$ 45.00
127910	\$ 45.00
127920	\$ 45.00
127926	\$ 45.00
127936	\$ 45.00

4.3 Financial Report

- November 2021 Financials.
- Agenda Report-Written Off Accounts 01-04-2022.
- Written Off Accounts Motion 01-04-2022.

4.4 Calendar

- PUD Calendar January 4, 2022.

END OF CONSENT AGENDA

5. OLD BUSINESS.

5.1 BOC memberships. There was considerable discussion among the commissioners on their memberships in the various organizations. Board terms were discussed. Economic

Development Team Jefferson was added to the list of memberships. There was considerable discussion on the value of being a member of NWPPA (Northwest Public Power Association) PPC (Public Power Council) and NRECA (National Rural Electric Cooperative Association). There was some discussion among the commissioners of what organizations each commissioner would serve on. Commissioner Kenneth Collins requested Commissioner Dan Toepper serve on the NoaNet Board and Commissioner Jeff Randall was asked to serve on the Energy Northwest Board.

Public Comments:

- **Comment:** Everybody should be shortened up on the terms.
- **Comment:** Need to do a cost benefits analysis of each and every membership to determine the value of each of the organizations. Most all of memberships are in the energy side of the PUD's work. Not much goes to the water side of the equation or to the broadband side of the equation.

MOTION: Commissioner Jeff Randall made a motion that the Jefferson County Public Utility District No. 1 Board of Commissioners approve that there be a three-year rotating term to serve on the Boards of NoaNet, and Energy Northwest. Commissioner Kenneth Collins seconded the motion. Motion carried with majority with one abstention.

Public Comments:

- **Comment:** Agree with serving on the board for two-year terms. Everybody should be shortened up on the terms. It would be better for the public and the ratepayers.
- **Comment:** Recommends that each member of the Board gets an opportunity to sit on other committees and that three years is too long.
- **Comment:** Agrees with serving a two-year term. It is perfectly rationale.

5.2 Conflict of Interest Disclosure. All three commissioners attested to the fact that they had reviewed the documents and they had no conflict of interest.

5.3 Citizen Advisory Board Discussion. PUD Consultant Don McDaniel and CAB Chair Jessica Dillon gave a report. Dates were discussed for a joint meeting with the Board of Commissioners. General Manager Kevin Streett will submit dates for the joint meeting at the next BOC meeting.

Public Comment: Would like a response to a letter which was sent to the BOC back in the end of November 2021. There were suggestions made involving the CAB and regarding the negotiations with BPA and the long-term contract.

5.4 Schedule of Charges for Electric Services Proposed Changes: General Manager Kevin Streett gave a report. Costs of construction have gone up dramatically. There is a supply chain issue and there is a problem with costs. Costs have skyrocketed. A small 25 KVA transformer has gone from \$1,500 to \$3,200 to the last quote of \$8,100.00. The PUD is charging in some cases \$3,000 for a customer to connect and it is costing the PUD approximately \$10,000 to do the connect. The transformers seem to be the most volatile piece of equipment the PUD is dealing with now.

General Manager Kevin Streett addresses idle service for both water and power. If the customer does not use power or water within one year, it is classified as an idle service. The PUD would send a letter to the customer and then in some cases the PUD would reclaim that transformer. The PUD is not sure when they will get the transformers in. There is a five-month delay right now. Some manufacturers are quoting a two-year lead time.

5.5 RUS Loan Application Update. General Manager Kevin Streett gave a report. PUD is looking at borrowing RUS funds. There are two projects – a meter project and a possible rebuilding for the expansion of the PUD. This does not mean the PUD borrows the money. This means the PUD has the ability to borrow the money. If the PUD does not take these steps, the PUD will not have the ability to fund through RUS. This is a two-project request. There will be updates to the commissioners. The next step is to deal with the RUS. There was some discussion.

Public Comments:

- **Comment:** How does this impact rates?

Response: Usually if you borrow money and you are not using the income coming in to fund all projects, it stabilizes your rates because you are not having to fund everything out of revenue. It moves some of those costs down for future customers.

- **Comment:** I would like to know whether or not that rate sticks with however long you would be carrying that because interest rates are going to change. They are going to go up – they might go down. That 1.6 is that going to go up to at the point in time when the PUD decides to borrow money is that going to be at 3%, 4% and how is that going to affect the surcharge on the average local person here at the PUD. How much is it going to cost and is this something that had to be done?

Response: There are a couple of options on the RUS loan. With these two they would tell the PUD to pull the funds at the start of the project. On some loans they do not. On some loans you have to be part of the project, ask for funding, and they fund it as you go along. If that is the case, then you pay the rate at the time you get the money. If the PUD is allowed to get the money up front, it would be at the rate that the PUD is seeing now.

- **Comment:** The last time there was runaway inflation in the late seventies and early eighties, interest rates shot up in some cases 20%. Something to keep in mind.

6. NEW BUSINESS:

6.1 Re-Connect Grant Application Authorization Resolution. Communications Director Will O'Donnell gave a report. The grant that the PUD is applying for is to connect unserved customers in the southeastern section of its electric service territory. The application is due in February. There will be no match by the PUD for this grant.

MOTION: Commissioner Jeff Randall made a motion that the Board of Commissioners of Public Utility District No. 1 of Jefferson County, Washington approve a resolution certifying the Secretary of the Board to authorize that Will O'Donnell of the PUD has the assigned Administrator security role on behalf of the Corporation, and who shall be responsible for assigning access to new users, entering and updating applications in USDA's online application system for the Re-Connect Program and Community Connect Grant Program. Commissioner Dan Toepper seconded the motion. Motion carried unanimously.

Public Comment:

- **Comment:** Will O'Donnell would do a fabulous job. However, it is always better to have another person involved to oversee or reconcile what Will is proposing or for what he is advertising.

6.2 New Electric Line Contractor. Operations Director Scott Bancroft gave a report. There was considerable discussion. Per RCW the BOC approves all line contractors. Yearly a list is brought to the commissioners. This is the first one to be brought this year. This is a formality. General Manager Kevin Streett gave some background information.

MOTION: Commissioner Jeff Randall made a motion that the Board of Commissioners accept the qualified line construction applicant as Palouse Power from Quincy, Washington and that they have submitted all paperwork pursuant to Washington State Law RCW 54.04.080 and RCW 54.04.085. Commissioner Dan Toepper seconded the motion. Motion carried unanimously.

Public Comment:

- **Comment:** What is the emergency the PUD is dealing with?
Response: Recent storm emergency.
- **Comment:** Why is it that vaccinated crews are so hard to come by?
Response: The PUD has consulted with its legal counsel and the staff has been advised that the PUD's policy is compliant with the laws of the State of Washington.
- **Comment:** Will Palouse be paid overtime to work on weekends if they have to stay here and can we get an honest estimate of what it is going to cost above what it would have cost to have Titan?
Response: Yes, we can get you the numbers and if the PUD keeps them here on the weekend, it is like any other crew, the PUD will pay them. The PUD would have to pay Titan.

6.3 Resolution Declaring Emergency for December 24, 2021 – January 8, 2022.

General Manager Kevin Streett requested the dates on the Resolution Declaring Emergency be modified to reflect the storm that is currently happening. Commissioner Dan Toepper gave some background information on how the emergency process works. This emergency is a declaration to waive competitive bidding under the Public Works laws.

MOTION: Commissioner Jeff Randall made a motion that the Board of Commissioners declare the period of December 24, 2021 – January 8, 2022, a state of emergency and authorized the PUD manager to purchase materials and order work to assist regularly employed personnel in an amount necessary. Commissioner Dan Toepper seconded the motion. Motion carried unanimously.

Public Comments:

- **Comment:** After January 8th, will the PUD initiate a process to get competitive bids for the same work that Palouse is now contracted to do, and will the PUD anticipate finding some other crews that may be willing to step in and bid against Palouse for that work?
Response: The emergency declaration is for the work that was just done and is ongoing to restore service to customers who have been out during the storm. The proposal that Scott Bancroft presented is for a DOT crew and a completely separate process. That process was done according to bidding. The PUD has an ongoing works roster. Bids will be solicited from other electrical line workers out there.

6.4 Regular Meeting Agenda Template Proposed Revisions. Commissioner Kenneth Collins modified what was written to make it clear that he will, time allowing, solicit public comments following each item on the agenda. Revisions were discussed.

7. MANAGER AND STAFF REPORTS.

- The General Manager met with the City, the Port and the County and reviewed Sims Way Project. Went over different options. There are some safety issues that have to be addressed.
- Next Tuesday, January 11, 2022, as part of the BOC Special Meeting, there will be a discussion on meters.
- Outages – the PUD was hit Christmas Eve with outages. An underground line failed. The crews put in over 3,000 feet of conduit and wire Christmas Eve and Christmas Day. General Manager gave recognition to the work force and commissioners working towards a common goal.
- General Manager gave an update on the Sims Way Project. (discussion).
- Vaccination status. Working with the staff. It is reviewed daily.

8. COMMISSIONERS' REPORTS.

Commissioner Jeff Randall

- 12/15 Participated in the second virtual Town Hall on the Sims Way Project. (report).
- 12/16 Participated in the PUD “All Hands Appreciation” meeting.
- 12/17 Participated in EDC Board Nominations Committee meeting.
- 12/21 Participated in the PUD BOC Special Meeting - Real Estate and Employee Evaluations.
- 12/22 Phone meeting with Marty Kithcart.
- 12/27 Met with General Counsel Joel Paisner.
- 12/27 Phone meeting with Marty Kithcart.
- 12/28 Participated in EDC Board Nominations Committee meeting.
- 01/03 Met with General Manager Kevin Streett.
- 01/05 Will participate in PPC members’ forum.
- 01/05 Will participate in PPC Executive Session.
- 01/06 Will participate in EDC Board meeting.
- 01/07 Will participate in Climate Washington Conference.
- 01/10 Will attend CAB meeting.
- 01/11 Will be participating in BOC PUD Special Meeting.
- 01/12 thru
- 01/14 Will attend WPUA conference.

Commissioner Dan Toepper:

- 12/15 Listened in on last PPC BPA Contract meeting of the year.
- 12/16 Participated in the PUD “All Hands Appreciation” meeting.
- 12/21 Participated in the PUD BOC Special Meeting – Real Estate and Employee Evaluations.
- 12/21 Met with General Manager Kevin Streett.
- 01/05 and
- 01/06 Will attend PPC regular monthly meetings.
- 01/06 Will attend Port Ludlow Village Council and give a PUD update.
- 01/07 Will meet with General Manager Kevin Streett.
- 01/10 Will attend East Jefferson Fire Chiefs’ meeting.
- 01/11 Will attend BOC PUD Special meeting.
- 01/12 thru
- 01/14 Will attend WPUA conference.

Commissioner Kenneth Collins:

- 12/14 Conference call with General Manager Kevin Streett.
- 12/15 Participated in a call with General Counsel Joel Paisner.
- 12/15 Participated in phone conversation with Marty Kithcart.
- 12/16 Participated in the PUD “All Hands Appreciation” meeting.
- 12/16 Met with a PUD employee.
- 12/17 Participated in a phone call with Marty Kithcart.
- 12/17 Participated in a phone call with Communications Director Will O’Donnell.
- 12/17 Participated in a phone call with PUD Consultant Don McDaniel.
- 12/17 Participated in a phone call with General Counsel Joel Paisner.
- 12/20 Conference call with General Manager Kevin Streett.
- 12/21 Attended the PUD BOC Special meeting - Real Estate and Employee Evaluations.
- 12/22 Participated in phone conversation with Marty Kithcart.
- 12/22 Conference call with General Manager Kevin Streett.
- 12/29 Participated in phone conversation with Craig Nelson, Chief Executive Officer of NoaNet.
- 01/03 Conference call with General Manager Kevin Streett.
- 01/05 and
- 01/06 Will attend PPC meetings.
- 01/07 Will attend Zoom meeting with Beckett Point 1:00pm to 2:00pm.
- 01/07 Will participate in the JBAT meeting.
- 01/07 Will participate in a phone call with Kala Point to discuss sewer rates.
- 01/11 Will attend PUD BOC Special meeting.
- 01/12 to
- 01/14 Will attend WPUA conference.

Public Comments:

- **Comment:** Cut out chats on Zoom.
- **Comment:** Public comment is important. Do not think it should be censored.
- **Comment:** Why are the commissioners engaged with NW Energy? Seems there there might be some sort of conflict.

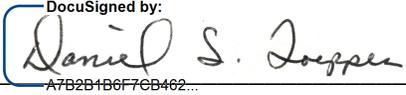
Response: Energy NW provides 10% of the power that is used and distributed by the BPA. It is an important part of the power source for five states that depend on BPA for providing electricity. It is a very critical part of the power sourcing for Washington, as well as Oregon, Idaho, and Nevada.

Update EDC: Commissioner Jeff Randall gave an update on the EDC.

9. ADJOURN: Commissioner Kenneth Collins declared the Jefferson County Public Utility District No. 1 Board of Commissioners’ Regular Meeting adjourned at 7:02 p.m.

Minutes prepared by
Recording Secretary Cammy Brown

Approved:

DocuSigned by:

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4/6/2022

Commissioner Dan Toeppe, Secretary

Date

Attest:

DocuSigned by:

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4/6/2022

Commissioner Kenneth Collins, President

Date

DocuSigned by:

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4/6/2022

Commissioner Jeff Randall, Vice President

Date

Please note PUD Board of Commissioner meetings are audio recorded and posted to the PUD website at 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.

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

**July 7, 2010
REGULAR MEETING
MINUTES**

CALL TO ORDER

The Regular Meeting of the Public Utility District No.1 of Jefferson County was called to order by the President of the Board of Commissioners at 5:01 p.m. at the District Office, 230 Chimacum Road, Port Hadlock, Washington. Commissioners and staff present were:

Ken McMillen, President
Barney Burke, Vice-President
Wayne King, Secretary
James Parker, District Manager
Kate Pike, Brisa Services

AGENDA

The Agenda was approved as submitted.

APPROVAL OF MINUTES

MOTION: By Commissioner Burke, Second by Commissioner King, carried unanimously, to approve the Regular Meeting Minutes of June 16, 2010 and the Special Meeting Minutes of June 30, 2010.

APPROVAL OF VOUCHERS

MOTION: By Commissioner King, Second by Commissioner Burke, carried unanimously to approve payment of:

Warrants No.16377 through 16391 in the amount of \$ 24,428.63; and

Warrants No.16392 through 16436 in the amount of \$ 149,573.85;

For a Total Amount of \$ 174,002.48

ITEMS FROM THE FLOOR (not listed on the Agenda)

None

COMMISSIONER'S REPORTS

Commissioner Burke

June 24: Attend meeting of the Peninsula Development District who will issue a letter of support for the PUD No. 1 of Jefferson County providing public power.

June 25: Attended meeting of the Citizens for Local Power

June 30: Attended Special Meeting executing a Power Sales Agreement with Bonneville Power Administration (BPA).

July 10: Expect to attend a solar tour sponsored by local solar power companies.

July 21: Expect to attend Special Meeting to conduct a budget workshop at the District office.

Commissioner King

June 22: Attended meeting of the WRIA 17 Planning Unit/East Jefferson Watershed Council.

June 30: Attended Special Meeting executing a Power Sales Agreement with Bonneville Power Administration (BPA).

July 13: Expect to attend meeting of the WRIA 17 Planning Unit/East Jefferson Watershed Council.

July 21: Expect to attend Special Meeting to conduct a budget workshop at the District office.

Commissioner McMillen

June 17: Attended PURMS meeting in Seabec.

June 30: Attended Special Meeting executing a Power Sales Agreement with Bonneville Power Administration (BPA).

July 15 & 16: Expect to attend meetings of the Washington PUD Association in Olympia.

July 21: Expect to attend Special Meeting to conduct a budget workshop at the District office.

ACTION ITEMS

a) Notice to Proceed, Indian Island/Marrowstone Island causeway water line

The Manager presented a Notice to Proceed document for Seton Construction of Port Townsend to proceed with the Quimper Water System Indian Island/Marrowstone Island SR 116 Causeway project. He mentioned that a pre-construction conference is scheduled for July 14. After discussion the Board took the following ACTION:

MOTION: By Commissioner Burke, Second by Commissioner King, carried unanimously, to authorize signature of this Notice to Proceed by the Board President (Commissioner McMillen).

DISCUSSION ITEMS

a) RUS Application

The Manager presented a proposal by Howard W. Barnes to assist the PUD in the efforts to seek RUS (Rural Utilities Service) financing for acquisition of the Puget Sound Energies facilities. The Board held discussion around budget, timelines, political insight capabilities, and tasks/deliverables tied to fees.

Public Comment

Steven Black remarked that it will be important to have financial connection/awareness in the private sector, as well with government funding opportunities, to factor in total costs and have payments tied to specific milestones.

b) Transition Team

The Manager presented correspondence to Puget Sound Energy with regard to the Transition Advisory Committee (identified in the Asset Purchase Agreement). He noted that the PUD members are in an advisory capacity only until initial payment is made to PSE, whereupon PUD members will take a more active coordinating and advisory role.

b) Golder Report

The Manager reported that Golder Associates did revise and complete the Water Demand, Availability Stage I report by the June 30 appointed date.

MANAGER’S REPORT/OLD BUSINESS

Indian Island: Regarding a possible transfer of the Indian Island water system, no new action to report. With regard to causeway construction, note ACTION ITEMS a) and b) above.

Power Authority: Note DISCUSSION ITEMS a) and b) above.

Sahara Water System extension: Public hearing is now likely to be held in September.

Sparling Well: Department of Health has approved the Sparling Well 3 treatment project and a pre-application conference with the Department of Community Development for non-conforming use is to be scheduled. Design drawings for building, system layout, plumbing, power, etc. are to be completed.

Other: Court hearing for lawsuit was held on June 9 in Port Angeles. The judge has 90 days to respond.

PUBLIC COMMENT

None

CORRESPONDENCE

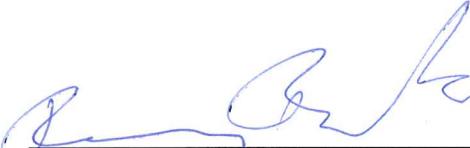
None

ADJOURNMENT

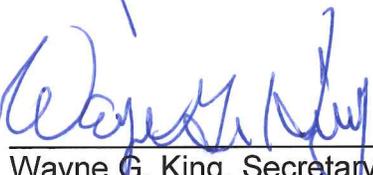
MOTION: By Commissioner Burke, Second by Commissioner King, carried unanimously, to adjourn the Regular Meeting at 6:03 p.m.



Kenneth A. McMillen, President



Barney Burke, Vice President



Wayne G. King, Secretary