PUBLIC UTILITY DISTRICT NO. 1
of Jefferson County
September 3, 2013
REGULAR MEETING
MINUTES

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 5:00 p.m. at the District Office, 230 Chimacum Road, Port Hadlock, Washington. Commissioners and staff present were:

Barney Burke, President
Wayne King, Vice-President
Ken McMillen, Secretary
James Parker, District Manager
Bill Graham, District Resource Manager
Michael Legarsky, District Finance Director
Kevin Streett, District Electrical Superintendent
Don McDaniel, Transition Consultant
Kate Pike, Brisa Services

AGENDA
The Agenda was approved as submitted.

APPROVAL OF MINUTES
MOTION: By Commissioner McMillen, Second by Commissioner King, carried unanimously, to approve the Regular Meeting Minutes of August 20, 2013 and the Special Meeting Minutes of August 22, 2013 as submitted and distributed.
MOTION: By Commissioner King, Second by Commissioner Burke, carried with abstention by Commissioner McMillen who was absent, to approve the Special Meeting Minutes of August 27, 2013 as submitted and distributed.

APPROVAL OF VOUCHERS
MOTION: By Commissioner McMillen, Second by Commissioner King, carried unanimously, to approve payment of:

Warrants No. 500588 through 500621 in the amount of	$	64,705.38
Warrants No. 101380 through 101381 in the amount of	$	25,297.96
Warrants No. 101382 through 101423 in the amount of	$	104,444.42
For a Total Warrant Amount of	$	194,447.76

COMMISSIONERS REPORTS
Commissioner McMillen
August 22: Attended Special Meeting regarding telecommunications.
August 22: Attended contractors' workshop.
Commissioner King
August 22: Attended Special Meeting regarding telecommunications.
August 22: Attended contractors' workshop.
August 27: Attended Special Meeting/2014 Budget Workshop.
Commissioner Burke
August 22: Attended Special Meeting regarding telecommunications.
August 22: Attended contractors' workshop.
August 27: Attended Special Meeting/2014 Budget Workshop.

PUBLIC COMMENT (for items not listed on the Agenda)
1. Linda Sexton, Chimacum, addressed the Board regarding a past-due account for a previous tenant. Staff will continue to address.
2. Gene Brandon, Citizen Advisory Board, addressed the Board regarding sources from which Bonneville Power Administration (BPA) receives power. The Board responded that BPA power is approximately 87 percent hydro from the Columbia River and 13 percent nuclear from the Columbia Generating Station operated by Energy Northwest.

ACTION ITEMS

a) *NoaNet - PUD Telecom Resolution*

The Manager presented a draft Resolution establishing the District telecommunications network and network access charges for excess capacity as well as notation of excess capacity network access charges. Angela Bennink of NoaNet was present and gave some update on the broadband installation process. After discussion, it was determined that, prior to the next scheduled Regular Meeting, staff and Board are to be given further, clearer, information on the definition of "anchor institution", how many of them are signed or have interest, and what installations, other than anchor institutions are to participate. No ACTION was taken.

DISCUSSION ITEMS

a) *PT/CPUD/JPUD Agreement*

The Manager presented a draft contract for system backup capacity, operations and maintenance, and facilities transfer between this PUD and the PUD No. 1 of Clallam County, Washington, specifically for transmission service to the Port Townsend Paper Corporation. The agreement also provides for reciprocal backup transmission between the two Districts. Legal counsel and the District Electrical Superintendent are to further review the documents.

b) *OLYCAP Agreement*

The Manager presented a Memorandum of Understanding to be between the PUD and Olympic Community Action Programs (OLYCAP) for collection, distribution and administration of the PUD Voluntary Contribution Low-Income Assistance Program (Power Boost Program). After discussion and minor revision, it was determined that the Agreement could be presented to OLYCAP for consideration.

c) *County IT Agreement*

Regarding the agreement between the PUD and Jefferson County for Information Technology (IT) service, both parties are communicating on methods of termination.

MANAGER'S REPORT/OLD BUSINESS

Electrical Summary

The Electrical Superintendent and staff continue to address transformers and regulators in Port Ludlow, emergency management and a vegetation plan. Billing is on schedule with the combination of water and electrical service now in one statement. There have been shut-off notices sent, roto-calling planned for September 9, placement of door hangers on September 11, and electric shut offs on September 12. Update of the PUD website continues with content being installed. Several staff are participating in customer service and billing classes. Responses regarding net metering indicate approximately 160 devices. With regard to financing, the USDA Rural Utilities Services has requested additional information to support request.

Citizen Advisory Board

The next CAB meeting is scheduled for September 9, 2013, 1:30 p.m., at the District's Four Corners office.

Budget

A budget workshop was held on August 27 and the 2014 budget is currently on file in the District Office. Public hearing regarding the 2014 budget is scheduled for October 7, 2013.

CORRESPONDENCE

1. Letter from Steven D. Moss, El Cajon, California regarding billing.

ADJOURNMENT

MOTION: By Commissioner McMillen, Second by Commissioner King, carried unanimously, to adjourn the Regular Meeting at 6:57 p.m.

Barney Burke, President

Wayne G. King, Vice President

Kenneth A. McMillen, Secretary