



PUBLIC UTILITY DISTRICT NO. 1
of Jefferson County

January 19, 2016

Regular Board Meeting

Final Draft Minutes

The regular Board of Commissioners meeting of Public Utility District No.1 of Jefferson County (PUD), was called to order by the President of the Board of Commissioners (BOC) at 5:00 p.m. Commissioners and staff present:

Commissioner Collins, President
Commissioner Burke, Vice President
Commissioner King, Secretary

James Parker, District Manager
Robert Caprye, District Financial Director
Bill Graham, District Resource Manager
Kevin Streett, District Electrical Superintendent
Richard Hughes, General Counsel
Don McDaniel, Consultant
Pamela Browning, Minute Taker

Agenda:

MOTION: By Commissioner Collins: to amend the agenda, adding two back-to-back Executive Sessions following agenda item number 4. The purpose of the first session will be to discuss the performance of a PUD public employee. The second session will be used to discuss collective bargaining agreement negotiations, to begin this Thursday. Each session is anticipated to last approximately thirty minutes.

Discussion: Commissioner Burke suggested the Executive Sessions be moved to after agenda item number 5., to allow citizens presenting items from the floor to leave the meeting before the Executive Sessions commence.

Commissioner Burke seconded the amended motion. The amended motion was unanimously carried.

Minutes Approval:

1. Minutes of Special PUD Meeting of 5 January 2016
2. Minutes of Regular Board Meeting of 5 January 2016: Commissioner Report, second item amended to read, "PUD representatives met with CenturyLink representatives to discuss coordinating on the Connect America Plan grant."

MOTION: By Commissioner King, seconded by Commissioner Burke, and unanimously carried: to approve the 05 January 2016 Special PUD Meeting minutes as submitted, and the 05 January 2016 Regular Board Meeting minutes as amended.

Financial Director Operating Statement: Jim Parker and Bob Caprye briefed the BOC.

- Audit: Commissioner Collins and PUD staff met with State auditors for an "entrance interview", which outlined the audit's process and scope. The auditors will regularly brief Commissioner Collins. The final report is due in February.

- Federal Emergency Management Agency (FEMA) Grant: The first FEMA grant application has been submitted, accepted and is "in the queue".
- Banking change: The PUD will be changing banks because the Bank of America is withdrawing from the Quimper Peninsula. (see *Resolution 2016-002, below*)
- Armored car service: The PUD will begin contracting for armored car service, which will be safer and cheaper than the current money handling system.
- Financial reporting: Bob Caprye will provide the BOC a monthly spreadsheet with budgeting information and financial activity.

Vouchers Review and Approval:

MOTION: By Commissioner Burke; seconded by Commissioner King; and carried unanimously: to approve payment of:

Warrants No. 110170 through 110298 in the amount of	\$ 604,395.05
Warrants No. 70130 through 70134 in the amount of	\$ 8,670.92
For a Total Warrant Amount of	\$ 613,065.97

Voided Warrants: # 110180

Wire Transfers: None

For a Grand Total of \$ 613,065.97

Items from the Floor, not listed on the Agenda: Roger Risley, Citizen, commented that since the PUD now has a new General Counsel, a new Financial Manager, and a new Commissioner, it might consider itself a "start up", not a "venerable organization".

Executive Sessions: The purpose of the first session will be to discuss the performance of a PUD public employee. The second session will be used to discuss collective bargaining agreement negotiations, to begin this Thursday.

The BOC Regular Board Meeting was adjourned to enter the first Executive Session at 5:39 p.m.; that Session ended at 6:12 p.m. The second Executive Session began at 6:15 p.m. and ended at 6:37 p.m.

The PUD Regular Board Meeting reconvened at 6:43 p.m.

Commissioner Reports:

The Commissioners gave their reports regarding meetings and events they attended, and plan to attend, on behalf of the PUD.

Action Items:

- Bonneville Power Administration (BPA) Transmission Service: Jim Parker reviewed a draft request to BPA to extend transmission service through December 1, 2019.
MOTION: By Commissioner Burke; seconded by Commissioner King; and carried unanimously: to authorize the General Manager to execute a contract with the Bonneville Power Administration for transmission service, as described in the draft correspondence.
- Cyber Insurance: The BOC reviewed the cyber security insurance report.
MOTION: By Commissioner King; seconded by Commissioner Burke; and carried unanimously: to accept the cyber security insurance proposal.
- General Manager Employment Agreement: The BOC, Jim Parker and Richard Hughes reviewed and discussed the proposed employment agreement between the PUD and Jim Parker.
MOTION #1: By Commissioner King; seconded by Commissioner Burke: to approve the proposed employment contract as written.

MOTION #2: By Commissioner Burke; seconded by Commissioner Collins: to amend the proposed employment contract, adding in Section 2. DUTIES, line 4, after "JPUD service": "The salary for this part-time position would be determined by the Board of Commissioners." Motion carried: Yeas: Commissioners Collins and Burke; Nay: Commissioner King.

MOTION #3: By Commissioner Burke: to amend the proposed employment contract, adding in Section 4. Acting General Manager, line 8, after "President of the Commission": "However the General Manager, with the approval of the President, may from time-to-time designate a different person as acting General Manager." No second. Vote on MOTION #1, *as amended*: unanimously approved.

- Resolution 2016-001: Declaring state of emergency: Held over to the next BOC meeting.
- Resolution 2016-002: Authorizing 1st Security Bank as a depository Bank: The BOC reviewed and discussed the proposed resolution.

MOTION: By Commissioner Burke; seconded by Commissioner King; and carried unanimously: to approve Resolution 2016-002 authorizing 1st Security as a depository Bank of the PUD.

Discussion Items:

- Communications Planning: Jim Parker reviewed and the BOC discussed the proposed 2016 Communications and Promotional Budget. Bill Graham will schedule a BOC workshop with Liz Anderson.
- Community Solar Project: The BOC discussed the current environmental legislative environment, potential solar farm sites and solar survey question options.
- Cost of Service (COS) Study Update: Jim Parker reviewed and the BOC discussed Jim's memo regarding rates and charges schedules, and the EES Consulting 2015 Rate Design Study. This issue will be reviewed in more depth at a subsequent BOC Workshop.
- BOC Performance Workshop: The BOC discussed options for evaluating Board performance.
- Finance Workshop: The BOC discussed possible agenda items for the upcoming financial workshop.

District Manager Report: Jim Parker reviewed his report.

Commissioner Calendar Review: The BOC reviewed upcoming events, including:

- Next Regular Board meeting: Tuesday, February 2, 2016
- Next Citizen Advisory Board meeting: Monday, February 8, 2016, (to be attended by Commissioner Collins)
- American Water Works Association, Northwest Washington Subsection: 2016 Best Tasting Water Contest: Wednesday, February 24, 2016 at the Skagit River Brewery.

Correspondence: None.

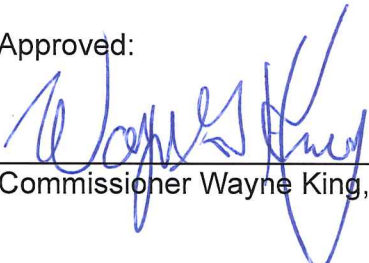
Future Planning Discussion: The BOC discussed upcoming Workshops.

Adjournment:

MOTION: By Commissioner King; seconded by Commissioner Burke; and carried unanimously: to adjourn the January 19, 2016 Regular Board Meeting at 8:15 p.m.

Minutes prepared by Pamela Browning, Minute Taker

Approved:



Commissioner Wayne King, Secretary

2-16-2016
Date

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