

CLALLAM COUNTY PUBLIC UTILITY DISTRICT #1
Minutes of the Regular Meeting of the Board of Commissioners
Carlsborg Main Office | 104 Hooker Road | Sequim, WA 98382
OCTOBER 14, 2019

Commissioners Present

Will Purser, President
Jim Waddell, Vice President
Dave Anderson, Secretary

Staff Present

Doug Nass, General Manager (part-time due to jury duty)
John Purvis, Assistant General Manager
Simon Barnhart, General Counsel
Sean Worthington, Finance Manager/Treasurer
Lori Carter, Controller/Auditing Officer
Bill Decker, Forks Operations Superintendent
Colin Young, Engineer
Tom Martin, WWW Superintendent
Travis McLain, WWW Systems Coordinator
Sarah Canepa, Accountant
Nicole Clark, Communications Manager
Teresa Lyn, Executive Assistant

Others Present

Sergey Tarasov, Project Manager FCS Group
Krestine Reed
Brian Grad

The meeting commenced at 1:30 PM.

CONSENT AGENDA

Upon recommendation of staff, and upon motion of Commissioner Anderson seconded by Commissioner Waddell and carried, the Commission approved the following:

- a. Minutes of the September 23, 2019 regular meeting;
- b. Claim vouchers from September 23, 2019 through October 7, 2019 for a total of \$3,689,478.46;
- c. Payroll vouchers for the periods of September 1 through September 15 and September 16 through September 30, 2019;
- d. Removal of delinquent accounts from active accounts receivable in the amount of \$3,208.72, including a 30% collection fee; and
- e. Contractor prequalification for Electrical Utility Services, LLC in the amount of \$225,000.00 for the coming calendar year.

PUBLIC COMMENT

Brian Grad requested that the District consider installing utility lines above-ground (via a pipeline a couple of feet off the ground) in areas where extensive vegetation management is required.

BUSINESS ITEMS

Upon recommendation of staff, and upon motion of Commissioner Waddell, seconded by Commissioner Anderson and carried, the Commission accepted as complete the work performed under Contract Number 191001 from Pacific Pole Inspection, LLC for pole inspection, testing, and reporting of an unspecified number

of electrical transmission and distribution poles in Clallam and Jefferson Counties. Total cost of the project is \$124,592.72, including WSST of \$9,760.72.

Upon recommendation of staff, and upon motion of Commissioner Anderson, seconded by Commissioner Waddell and carried, the Commission accepted as complete the work performed under Contract Number 191002 from Power Trip Energy Corporation for the repurposing of a decommissioned electrical substation for the installation of a ground-mounted 30 KW solar system. Total cost of the project is \$108,350.00. This project is exempt from WSST.

Sergey Tarasov from the FCS Group presented on the water and wastewater rate study the Group performed for the District, and a cost of service report that outlines proposed increases for water and wastewater for the next five years.

Sean Worthington, Finance Manager/Treasurer presented for review and tentative approval at the October 28, 2019 Board Meeting DRAFT Resolution 2162-19 Establishing Water and Wastewater System Rate Schedules.

The meeting recessed at 2:46 PM for a short break and recommenced at 2:52 PM.

CORRESPONDENCE/COMMUNICATIONS

Assistant GM John Purser reported on an article regarding Pacific Gas and Electric's (PG&E) decision to shut off power to 800,000 California customers for 2-3 days in northern, central, and coastal counties because of an unprecedented wildfire danger due to Santa Ana winds.

COMMISSIONER REPORTS

Commissioner Anderson reported that he attended a Washington Public Utility District Association (WPUDA) meeting. The topic was AMI for water systems.

Commissioner Waddell reported that he attended a NW Power Pool meeting which included a video on resource adequacy. He also attended the PPC meeting, which included discussion on surplus sales, and a briefing by BPA CEO Michelle Manary, who provided charts that explained how BPA got to their current reserve situation.

Commissioner Purser reported that he attended the Energy Northwest (EN) Executive Board meeting. Topics included: EN's interest in charging stations outside of the state, and a presentation by an E3 executive (a CA firm which specializes in resource adequacy) that suggested that without natural gas it would be difficult to achieve resource adequacy. Commissioner Purser noted that the study did not include anything on EVs or conservation.

He stated that the NW Power Pool is commissioning a study on resource adequacy to mitigate any identifiable vulnerabilities. Other news reported: It appears that BPA will be joining the Energy Imbalance Market (EIM), and PPC has developed a new budget which reduces our fee by 8.4%.

BOARD ACTION ITEMS FOR STAFF

1. Before the next meeting, staff is to:
 - a. Publish additional communication to the public notifying them of proposed water and wastewater rate increases;
 - b. Develop an educational paragraph/argument/justification that conveys in layman terms the rationale for raising the water and wastewater rates. The statement should include some history and highlight the advantages for moving to a 'postage-stamp' rate (especially in regards to communities that will be most impacted); and
 - c. Develop an educational paragraph/argument/justification for reducing water block structures in order to encourage conservation; and
2. Staff is to distribute to commissioners and staff a copy of the BPA PowerPoint that was presented at PPC's October 3, 2019 meeting.

There being no further business to come before the Commission, the meeting adjourned at 3:18 PM.

ATTEST:

October 14, 2019