

**CLALLAM COUNTY PUBLIC UTILITY DISTRICT #1
MINUTES OF THE REGULAR WEEKLY MEETING OF
THE BOARD OF COMMISSIONERS
April 2, 2018**

The regular meeting of the Board of Commissioners of Clallam County Public Utility District #1 was held at the Main Office, 104 Hooker Road in Carlsborg, WA, on the above date commencing at 1:31 PM.

Commissioners Present: Hugh (Ted) E. Simpson, Jr., President
Will Purser, Vice President
Hugh Haffner, Secretary

Staff Present: Doug Nass, General Manager
Teresa Lyn, Executive Assistant
John Purvis, Assistant General Manager
Dave Papandrew, District Auditor/Acting Treasurer-Controller
Tom Martin, Water and Wastewater Superintendent
Jamie Spence, HR Manager
Sean Worthington, Customer Service Manager
Lori Carter, Accounting Supervisor
Larry Morris, Safety Manager
Nicole Clark, Communications Manager

Others Present: Terry Lee
Roger Wheeler
Mike Doherty
Jim Waddell

General Manager Doug Nass made a revision to the agenda; Assistant Manager John Purvis will bring the Invitation to Bid #180802 before the board instead of Mike Hill.

On motion of Commissioner Will Purser seconded by Commissioner Haffner and carried, the Commission approved the minutes of the March 26, 2018 regular meeting.

Public comment was received by Terry Lee regarding conference table purchases.

Representing North Peninsula Building Association (NABA), public comment was received by Roger Wheeler in regards to a recent letter sent by the PUD to 70 Gales Addition customers advising that reduced pressure (RP) backflow valves must be installed at their properties and/or businesses within 60 days. Water/Wastewater Superintendent Tom Martin advised that the PUD letter was in response to a February backflow incident in Gales Addition where contaminated water flowed through a cross-connection between units within a commercial property. The incident was reportable to the state and resulted in the state's re-issuance of a mandate for RP valve installation. Mr. Wheeler requested an extension to the 60 day deadline to up to a year, in order to lengthen the timeframe for the work to be done that would not overload local tradesman, which could necessitate the need to hire from outside of the community and thus take work from local trades. Mr. Wheeler suggested that PUD take a look at prioritizing and downgrading the backflow installations per Table 9 of the state cross-connection rules. Water/Wastewater Superintendent Tom Martin advised that 90 days was the extension limit as per the state, and expressed his concern for the liability of risk that PUD has for cross contamination in commercial areas due to undocumented commercial use changes. He said that PUD policy has been to require that RP devices be installed by all commercial customers. He plans to work closer with the County to obtain permit documentation/information. GM Doug Nass advised that will come back in two weeks with a recommendation.

Public comment was received by Mike Doherty. Mr. Doherty requested that the PUD communicate to rate-payers its strategies for addressing climate change. He also suggested that PUD #1 partner with other PUDs to build a stable regional EV infrastructure that could attract more tourists to the area and increase revenue. Commissioner Purser and GM Nass advised that PUD #1 is already coordinating with other PUDs as well as Energy Northwest on EV and joint purchasing. GM Nass advised that we are working with the city of Sequim on a solar/EV station and will be looking for grants so we do not have to increase rates to our customers to fund the project. Mr. Doherty was glad to hear the PUD is talking about such projects.

Upon recommendation of staff, and upon motion of Commissioner Purser and seconded by Commissioner Haffner and carried, the Commission approved removal of delinquent accounts from the active accounts receivable on the list dated 3/8/2018 in the total amount of \$9,890.40, including a collection fee of \$1,874.37.

Upon recommendation of staff, and upon motion of Commissioner Haffner seconded by Commissioner Purser and carried, the Commission authorized Invitation to Bid #180802 for Thirty-Two (32) Fiberglass Poles to be used on a transmission and distribution line project from Laird's Corner to Airport Substation. Sealed bids will be received by the District on or before 3:00 PM on April 18, 2018.

Upon recommendation of staff, and upon motion of Commissioner Purser seconded by Commissioner Haffner and carried, the Commission adopted RESOLUTION 2100-18 Establishing the Current Electric Service Regulations and Requirements and Rescinding RESOLUTION 2062-16.

General Manager Doug Nass reported on industry news, including: the 9th Circuit Courts' decision to uphold U.S. Districts Judge Simon's injunction to increase spill at the Snake River dams for fish passage April through June, which will result in BPA issuing a spill surcharge; Clallam County Economic Development Corporation's announcement of the appointment of interim Executive Director Julie Knott; and a streamflow restoration map that illustrates Washington State's watersheds and domestic permit-exempt withdrawals as of 2018. The Elwha-Dungeness watersheds have existing instream flow rules that regulate permit-exempt uses and no new regulations have been created.

One list of claim vouchers as certified by the General Manager and Auditing Officer were considered. On motion of Commissioner Haffner seconded by Commissioner Purser and carried, the Commission approved payments of claim vouchers in the amount of \$620,006.85 for April 2, 2018.

Commissioner Purser reported that he attended the Energy Northwest board meeting and stated that a CEO had been selected. Salary negotiations for the new CEO are underway.

At 2:55 PM Commissioner Simpson convened the meeting into Executive Session to evaluate the qualifications of applicants for employment, pursuant to RCW 42.30.110(1)(g) and stated that action may be taken after the session. Those in attendance were Commissioners Haffner, Purser, and Simpson, General Manager Doug Nass, Assistant Manager John Purvis, HR Manager Jamie Spence, and Customer Service Manager Sean Worthington. No action was taken. The meeting reconvened at 3:50 PM.

Upon recommendation of staff, and upon motion of Commissioner Purser seconded by Commissioner Haffner and carried, the Commission adopted RESOLUTION 2101-18 Establishing Staff Titles and Salaries.

Upon recommendation of staff, and upon motion of Commissioner Purser seconded by Commissioner Haffner and carried, the Commission adopted RESOLUTION 2102-18 Establishing the Position of Finance Manager/Treasurer and Rescinding Resolutions 802-75, 2051-16, and 2093-17.

Upon recommendation of staff, and upon motion of Commissioner Purser seconded by Commissioner Haffner and carried, the Commission adopted RESOLUTION 2103-18 Appointing a Finance Manager/Treasurer. Commissioner Haffner wished it to be stated in the minutes that the Treasurer is responsible to report all financial concerns to the General Manager and Commissioners.

Upon recommendation of staff, and upon motion of Commissioner Purser seconded by Commissioner Haffner and carried, the Commission adopted RESOLUTION 2104-18 Establishing the Position of Controller/Auditing Officer and Rescinding Resolution 2088-17.

Upon recommendation of staff, and upon motion of Commissioner Purser seconded by Commissioner Haffner and carried, the Commission adopted RESOLUTION 2105-18 Appointing a Controller/Auditing Officer.

There being no further business to come before the Commission, the meeting adjourned at 4:01 PM.