

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
March 25, 2019

Commissioners Present:

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

Staff Present:

Doug Nass, General Manager
John Purvis, Assistant General Manager
Simon Barnhart, General Counsel
Sean Worthington, Finance Manager/Treasurer
Lori Carter, Controller/Auditing Officer
Mattias Järvegren, Utility Services Coordinator
Tom Martin, Water and Wastewater Superintendent
Nicole Clark, Communications Manager
Steve Schopfer, IT Manager
Carla Fields, Records Coordinator
Larry Morris, Safety Manager
Teresa Lyn, Executive Assistant

Others Present:

James and Celia Read
Linda Benson
Nicole Shoen
Stephen Schneider
Jim McEntire
Judy Tissot

Krestine Reed
Gayle Powers
Ryan Williamson
Maria Schnabelt
Alex Fane

The meeting commenced at 1:30 PM.

APPROVAL OF MINUTES

Upon recommendation of staff, and upon motion of Commissioner Waddell, seconded by Commissioner Anderson and carried, the Commission approved the minutes of the March 11th meeting.

AGENDA REVISIONS

Agenda item E was added; a Recommendation Memo of Bid Award for the Gales Addition reservoir cover replacement to be presented by Tom Martin, Water and Wastewater Superintendent.

PUBLIC COMMENT

A customer expressed concern about the loss of meter reader positions as a result of the implementation of smart meter implementation. Linda Benson, President of the League of Women Voters, read a letter from the League requesting that the District's public meeting rooms be made available to the public after-hours. Customers expressed opposition to smart meters and the opt-out fee. Jim McEntire, on behalf of the Port Angeles Business Association (PABA), read a statement expressing support of the District's efforts to remain cost-efficient by implementing smart meter technology.

BUSINESS ITEMS

Mattias Järvegren, Utility Services Coordinator, presented an update on the District's plan for a Community Solar Program at 410 East Washington Street in Sequim.

Finance Manager/Treasurer Sean Worthington presented the District's proposed Customer Self-Read Pilot Project. The pilot aims to provide to District customers who opt out of advanced meter installation the option to read their meters and report their monthly utility consumption to the District, as an alternative to having the District read their meters.

Commissioner Jim Waddell relayed to those present that the Board is and will continue to be open to suggestions and modifications as we implement the revised meter strategy, and he advised that the District and Board will be analyzing the costs, pros and cons on an annual basis. He requested that citizens continue to share their ideas.

Upon recommendation of staff, and upon motion of Commissioner Anderson seconded by Commissioner Waddell and carried, the Commission considered and adopted RESOLUTION 2141-19 Revision of the District's Residential Meter Policy and Rescinding Resolution 2138-18. This revision also clarifies that customers with multiple meters at one service address, under the same account name, will only be assessed a fee per service address, rather than per meter, should they wish to opt-out of advanced meters. In addition, in order to provide for a reduced opt-out fee, customer meters will be read every other month and an estimated billing will be produced on the non-read months. The Resolution also authorizes staff to develop a pilot project whereby those District customers who opt out of advanced meter installation may read their meters and report their monthly utility consumption to the District as an alternative to having the District read their meters.

Upon recommendation of staff, and upon motion of Commissioner Anderson seconded by Commissioner Waddell and carried, the Commission considered and adopted RESOLUTION 2142-19 Establishing the Current Schedule of Deposits and Charges and Line Extension Unit Prices for the purpose of reducing the Advanced/Remote-Read Meter opt-out fee from \$30.00 per month to \$18.00 per month for customers whose meters are read by District staff, and of establishing charges for participation in the self-read pilot project.

Assistant General Manager John Purvis relayed to the Board the Department of Labor & Industries reconfirmation that net meter systems and specifically PV UL-741 inverters are considered electrical sources with respect to WAC 296-45-335(3)(b), and that as such, they must be isolated from the District's system and tagged in order for linemen to work under a working clearance on our system. AGM Purvis requested that the Board review the four policy language options that he provided to them at the March 11, 2019 meeting, and to provide direction to staff as to the Board's preference of options. Commissioner Waddell stated that he is in favor of Option 3, which is a return to previous language and removal of reviewer discretion (making collocation waiver automatic). Commissioner Purser expressed his preference for Option 1, but would compromise to Option 4, which retains existing language but allows signage instead of collocation under less than 50' pathway distance. Commissioner Anderson stated he was in favor of Option 3. As a quorum of the Board expressed its preference for Option 3, staff advised that they will move forward to draft a Resolution incorporating Option 3 into the District's existing Interconnect Requirements Policy.

Upon recommendation of staff, and upon motion of Commissioner Anderson seconded by Commissioner Waddell and carried, the Commission considered and approved Acceptance of Contract Completion Memo for Old Olympic Highway Distribution Main Project Contract # 180803 with TAPANI, Inc. The work consisted of the construction of approximately 4,705 feet of 12" water distribution main, a pressure reducing station, and associated appurtenances along Old Olympic Highway from Highway 101 to the vicinity of Siebert Creek. The total contract cost is \$872,195.27 (including WSST).

Upon recommendation of staff, and upon motion of Commissioner Anderson seconded by Commissioner Waddell and carried, the Commission considered and approved Recommendation Memo of Bid Award for the Gales Addition Reservoir Cover Replacement Bid # 190802 in the amount of \$365,760.00 to Layfield USA Corporation, the only bidder, for the amount of \$365,760.00 (not including WSST).

Upon recommendation of staff, and upon motion of Commissioner Waddell seconded by Commissioner Anderson and carried, the Commission considered and adopted RESOLUTION 2139-19 Designating a District Representative to Obtain Federal and/or State Emergency or Disaster Assistance Funds and Rescinding Resolution 2068-16.

Upon recommendation of staff, and upon motion of Commissioner Anderson seconded by Commissioner Waddell and carried, the Commission considered and adopted RESOLUTION 2140-19 which updates the Districts records policy to ensure compliance with the laws of the State of Washington with regard to public records and their disclosure. This Resolution rescinds Resolution No. 1839-07.

CORRESPONDENCE AND COMMUNICATION

General Manager Nass reported on an article in the Northwest Public Power Association (NWPPA) March 2019 Bulletin written by Communications Manager Nicole Clark about Clallam County PUD's Emergency Response and Restoration Plan (ERRP). Commissioner Purser commended Nicole on the fine article.

CLAIM VOUCHER APPROVALS

Claim vouchers as certified by the General Manager and Auditing Officer were considered. Upon recommendation of staff, and upon motion of Commissioner Anderson, seconded by Commissioner Waddell and carried, the Commission approved payment of claim vouchers for the period of weeks 3/18/19 and 3/25/19 for the combined total amount of \$4,416,891.76.

COMMISSIONER REPORTS

Commissioner Anderson reported he attended March WPUDA Commissioner training and meetings. He relayed that Kitsap County, who is ahead of Clallam in regards to fiber technology because of their population density, provided an informative presentation. He also attended the overview of the recent NODC Symposium on rural broadband at which PUD's IT Manager Steve Schopfer gave a good presentation on NoaNet's infrastructure throughout the county. The takeaway Commissioner Anderson got from both of those discussions is that 5G will not be coming to Clallam County any time soon, because we do not have the population density to make it a viable investment for a service provider.

Commissioner Waddell attended March WPUDA Commissioner training and meetings as well. He reported on the discussion of clean energy bill (E2SSB 5116) that is currently in the House. Commissioner Waddell said that essentially this bill would undermine the right of citizens to form public utility districts and he supports the alternate bill language that WPUPDA developed and proposed (i.e. condemnation language) in order to address cost concerns while not undermining the people's right to form PUDs.

Commissioner Purser reported that he participated in two teleconferences. One was a PPC group discussion focused on putting together an attribute list for the replacement of PPC's departing Executive Director. Commissioner Purser is hopeful that PPC will get someone on board soon, but said the salary being offered may be an issue. Other telecom discussions focused on BPA's recent misinterpretation of their reserves; a BPA policy that states that there is a statute of limitations of three years for financial miscalculations; and the public funding of fish ladders.

STAFF REPORTS

General Manager Doug Nass reported that he and staff are developing an operational orientation for the Commissioners to help orient and educate them on how the District operates and on other important issues.

BOARD ACTION ITEMS FOR STAFF

The Board requested follow up on the following issues:

- a. Draft a Resolution to incorporate Option 3 into the existing Interconnect Requirements Policy;
- b. Remain open to the public's suggestions on solar and net metering; and
- c. Draft a response to the League of Women Voter's request letter regarding after-hours public room usage.

ADJOURNMENT

There being no further business to come before the Commission, the meeting adjourned at 3:27 PM.