

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  
**June 10, 2019**

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**Commissioners Present:**

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  
Doug Adams, Transmission & Substation System Supervisor  
Mattias Jarvegren, Utility Services Coordinator  
Nicole Clark, Communications Manager  
Teresa Lyn, Executive Assistant

**Others Present**

Werner Buehler  
Terry Lee  
Shelley Taylor  
Krestine Reed  
Janet Marx

Brian Grad  
Paul V. Hansen  
Gabe Athougies  
Richard deBusman

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. Claim vouchers from 5/13/19, 5/20/19, 5/28/19, and 6/3/19 for a total of \$4,025,172.68;
- b. Payroll voucher for the period of 5/1/19 through 5/15/19;
- c. Write off of delinquent accounts from the June 2019 active accounts receivable in the total amount of \$9,108.11; and
- d. Contractor prequalification for Pacific Pole Inspection in the amount of \$350,000.00.

**PUBLIC COMMENT**

Terry Lee submitted two of questions to the board for staff response.

Shelley Taylor spoke about the seven (7) year window for reimbursement in the District's sharing policy. Specifically Mrs. Taylor requested that the District reexamine the sharing policy and reimburse the Taylors for the \$481 hookup charge - including interest - that they paid 14 years ago for the still-vacant lot adjacent to theirs.

An unidentified ratepayer inquired if the general public and solar installers were notified of the recent change to the Interconnection Requirements Policy that makes the disconnect switch an option. GM Nass advised that an email went out to installers the same week the revised policy was passed by Commissioners, and Communications Manager Nicole Clark advised that the District's July Hotline newsletter, which is mailed to all ratepayers, will contain this news. Commissioner Anderson said that he also relayed the change to the North Peninsula Builders Association at a recent meeting.

A customer asked if the District could make it easier for ratepayers to sign up for the community solar program. He suggested an online signup, where one could pay with a credit card. Currently ratepayers have to come in to the office to sign an agreement. It was also suggested that the District look into the possibility of reciprocal support/marketing/promotion with solar installers in order to generate more interest in the

program, as well as good public relations for the District. GM Nass advised that he would have staff look into this.

Another customer asked how many people are personally involved in promoting the community solar project. GM Doug Nass advised that initially the District wanted to see how participation came about before investing additional promotion funds. He relayed that we have sold over 600 out of the 2000 units available. We have published articles in the PDN and the NWPPA bulletin, created lobby displays and brochures, and will soon have a 2 page spread about the project in the July Hotline newsletter.

## **BUSINESS ITEMS**

- a. Upon recommendation of staff, and upon motion of Commissioner Anderson, seconded by Commissioner Waddell and carried, the Commission approved the award of Bid No. 190803 for six (6) three-phase 15 kV power circuit breakers to McKaig/Evergreen for a not-to-exceed contract price of \$94,792.11.
- b. Upon recommendation of staff, and upon motion of Commissioner Anderson, seconded by Commissioner Waddell and carried, the Commission passed Resolution 2149-19, authorizing the execution of an interlocal agreement with the City of Sequim for electric vehicle charging stations.
- c. Upon recommendation of staff, and upon motion of Commissioner Waddell, seconded by Commissioner Anderson and carried, the Commission passed Resolution No. 2150-19, establishing a District policy on interconnection generating facilities and rescinding Resolution No. 2097-18.
- d. Upon recommendation of staff, and upon motion of Commissioner Waddell, seconded by Commissioner Anderson and carried, the Commission passed Resolution No. 2151-19, declaring that upon the installation of Switch #1171, the District's Switch #1170, Pole #2902-241861, and Pole #2902-241862 shall be surplus to the District's needs, and authorizing the General Manager to convey those facilities to PUD No. 1 of Jefferson County at such time as the General Manager determines is appropriate.

## **CORRESPONDENCE AND COMMUNICATION**

GM Doug Nass reported on upcoming new comprehensive commissioner orientations on all facets of the District's business and operations. The orientations will include presentations, site visits, and meeting employees at District locations. GM Nass relayed to the board that the Northwest Public Power Association (NWPPA) recently awarded the District with a third place award for safety performance, which is at the center of PUD's mission. Commissioner Anderson pointed out that with NWPPA members numbering over 300 across the U.S. and Canada, the award is something to be proud of.

## **COMMISSIONER REPORTS**

Commissioner Waddell reported that he attended June's Public Power Council (PPC) meeting in Portland. The Energy Imbalance Market (EIM), which provides the ability to turn on off energy transmission according to need, was a big topic. It is anticipated that the Bonneville Power Administration (BPA) will be joining the EIM, as one way to reduce its' costs. Commissioner Waddell urged that we continue to be cautious about accepting both BPAs' and the Army Corps of Engineers' promises to reduce costs and save ratepayers money as he feels that they've been making the same promises for years. More transparency is required so we can see what strategies these organizations have in place to insure what the benefit is to ratepayers. Commissioner Waddell reported that he visited Neah Bay and the Makah reservation last Friday along with EDC Director Colleen McAleer to observe and learn about their power reliability and resiliency and water issues, and their interest in solar. He suggested that we collectively try to help the Makah tribe and Neah Bay in addressing these issues. GM Doug Nass advised that the District's Engineering Manager Kevin Black recently visited the area to learn about and converse with the Tribe about tsunami concerns and community relocation.

Commissioner Anderson reported that he attended a Sequim area broadband action team meeting. The focus was to figure out the existing fiber infrastructure so we can improve broadband in the area. The District's Network Engineer Shawn Delplain also attended the meeting and was able to answer questions regarding the PUD's broadband service. The following day Commissioner Anderson attended a meeting of the North Olympic Development Council (NODC) whose focus is to share resources and ideas, and to collaborate to promote economic development in Jefferson and Clallam County. Thanks in part to a letter that GM Nass and Communications Manager Nicole Clark provided, the NODC recently applied for and received rural development assistance that will enable them to identify ways to develop some of Clallam County's underdeveloped resources.

#### **STAFF REPORT**

GM Doug Nass reported on finalizing the ground lease agreement between the Port of Port Angeles and the District for the property that we lease by the airport. We currently have 19 employees and multiple buildings there. Our last lease expired in 2017, and we've been working towards a 10 year lease for some time. The new lease gives the District the flexibility to keep, sell, or move facilities according to future needs.

#### **BOARD ACTION ITEMS FOR STAFF**

Staff will follow up on the following issues:

- a. Provide a written response to Mr. Lee's submitted inquiries;
- b. Look into the possibility creating a more convenient (online?) way to sign up to participate in the community solar project; and
- c. At the request of Commissioner Waddell, consider placing the visual of the Tier 1-2-3 flowchart from the Interconnection Requirement Policy on the website and at the beginning of the Policy to assist ratepayers in understanding the complicated tiers. Per Legal Counsel Simon Barnhart, formatting the policy to place the visual at the front of the document would not require staff to bring it before the board again for approval.

#### **EXECUTIVE SESSION**

The regular meeting recessed at 2:46 PM for no longer than 45 minutes to go into executive session to consider the acquisition of real estate by purchase. Those in attendance were Commissioners Waddell and Anderson, General Manager Doug Nass, Assistant General Manager John Purvis, Legal Counsel Simon Barnhart, Treasurer Sean Worthington, and Water and Wastewater Superintendent Tom Martin. The executive session adjourned at 3:20 PM, and the regular meeting reconvened at that time.

#### **ADJOURNMENT**

There being no further business to come before the Commission, the meeting adjourned at 3:20 PM.