

CLALLAM COUNTY PUBLIC UTILITY DISTRICT #1
Minutes of the Regular Meeting of the Board of Commissioners
Main Office | 104 Hooker Road | Sequim, WA 98382
DECEMBER 9, 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
Tom Martin, Water & Wastewater Systems Superintendent
Lori Carter, Controller/Auditing Officer
Larry Morris, Safety Manager

Others Present

Richard DeBusman
Werner Buehler
Rob Ollikainen
Rick Paschall

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 Commissioners approved the following consent agenda items, with the exception of the minutes of November 25, 2019, which were held over for approval until the next meeting:

- Claim vouchers from November 25 through December 2, 2019
- Payroll vouchers for the period of November 1 through November 15, 2019
- Removal of delinquent accounts from active accounts receivable.

An executive session was added to the agenda.

PUBLIC COMMENT 1

Richard DeBusman reported on the community solar project process and submitted his written summary of his observations.

BUSINESS ITEMS

Upon recommendation of staff, and upon motion of Commissioner Anderson, seconded by Commissioner Waddell and carried, the Commissioners adopted Resolution 2164-19 authorizing the disposal of surplus property.

Upon recommendation of staff, and upon motion of Commissioner Anderson, seconded by Commissioner Waddell and carried, the Commissioners adopted Resolution 2165-19 adopting the electric, water, and wastewater budgets as finally determined and establishing the electric system rate schedules. Commissioner Waddell stressed that he feels the rate increase figures should be noted as “not-to-exceed” and requested that any changes be brought back to the Commission for approval.

CORRESPONDENCE/COMMUNICATIONS

General Manager Doug Nass reviewed the feedback from the Commissioners on the 2020 Strategic Plan. Commissioner Waddell requested language regarding the increasing cost of hydropower and that it is “mostly carbon-free” as opposed to simply “carbon-free”. GM Nass proposed alternate language that was approved. Upon recommendation of staff, and upon motion of Commissioner Anderson, seconded by Commissioner Waddell and carried, the Commissioners approved the 2020 Strategic Plan as amended.

COMMISSIONER REPORTS

Commissioner Dave Anderson attended a NW Energy Coalition Conference in which a panel of utility executives discussed Clean Energy Transformation Act (CETA) legislation, rulemaking, and resource adequacy. Commissioner Anderson also attended the Washington PUD Association Annual Conference and reported on sessions by BPA, on PFAS contaminants in water, and the effect of private equity firms purchasing eastern Washington water rights.

Commissioner Jim Waddell attended the WPUDA Annual Conference and commented on sessions including the California Community Choice Association, a presentation by Elliott Mainzer of BPA, and a session on cybersecurity by the Department of Homeland Security. Commissioner Waddell also reported on two customer calls he received. One was in regards to crews in District 3 performing work in a customer’s yard who wasn’t able to readily identify PUD employees by their clothing. Bill Decker responded and facilitated well. Commissioner Waddell has also received calls about Class B private water systems, which he feels may be a strategic concern as these systems are aging and run by retirees who don’t know what to do with them next.

Commissioner Will Purser reported on having attended the WPUDA Annual Conference and spoke on the information presented on PFAS chemicals and how to remove them from water supply. Elliott Mainzer of BPA also spoke to resource adequacy and a potential deficit in generation.

STAFF REPORTS

Finance Manager/Treasurer Sean Worthington presented an update on the bond fund. The CD in which the District had bond funds matured last week and Mr. Worthington intended to enter into a contract with First Federal for a CD however the amount exceeded the District policy threshold for a CD. A CD was opened for \$8 million but he will be bringing the policy to the Commissioners for revision in the future as these thresholds have not been updated in some years.

Communications Manager Nicole Clark presented information on the formation of PUDs and specifically Clallam PUD.

BOARD ACTION ITEMS FOR STAFF

Staff is to update the 2020 Strategic Plan based on today's discussion.

PUBLIC COMMENT 2

Richard DeBusman thanked the Commission for answering questions and adding in the second public comment period.

EXECUTIVE SESSION

The regular meeting recessed at 3:15 p.m. to go into executive session to discuss the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of decreased price., pursuant to RCW 42.30.110(1)(c). Those in attendance were Commissioner Purser, Commissioner Waddell, Commissioner Anderson, Legal Counsel Simon Barnhart, Assistant General Manager John Purvis and General Manager Doug Nass. It was announced that the Commission intended to take action when they come out of executive session.

The executive session adjourned at 3:41 p.m., and the regular meeting reconvened at that time. Upon motion of Commissioner Waddell, seconded by Commissioner Anderson and carried, the Commissioners approved the General Manager's execution of the Counteroffer Addendum to the Real Estate Purchase and Sale Agreement with Michael J. Davis and Steffi L. Davis, and authorized the General Manager to execute all documents required to open and close escrow.

There being no further business to come before the Commission, the meeting adjourned at 3:45 PM.