

CLALLAM COUNTY PUBLIC UTILITY DISTRICT #1
Minutes of the Special Meeting of the Board of Commissioners
Main Office | 104 Hooker Road | Sequim, WA 98382

May 19, 2022

This meeting was held remotely via ZOOM

Commissioners Present

Will Purser, President
Rick Paschall, Vice President
Jim Waddell, Secretary

Staff Present via Zoom

Sean Worthington, General Manager	Tom Martin, Water/Wastewater Manager
Lori Carter, Controller/Auditing Officer	Teresa Lyn, Executive Assistant
Nicole Hartman, Communications Manager	

Others Present as Identified

Beverly Hetrick-Oosterveld

The meeting commenced at 1:30 PM.

PUBLIC COMMENT :55

There was no public comment.

BUSINESS ITEMS STARTING 1:08

- a. Upon recommendation of staff, and upon motion of Commissioner Waddell, seconded by Commissioner Paschall and carried, the Board authorized District staff to publish a notice in the Seattle Daily Journal of Commerce (and by other means as determined by staff to be prudent) to invite qualified contractors to submit formal sealed proposals for Bid No. 220801 for construction of a water main replacement on several streets in Clallam Bay proper and downtown Sekiu for an estimate project cost of \$4,215,000 (including WSST).

STAFF REPORTS

5:50: Water/Wastewater Manager Tom Martin provided an update on Carlsborg water nitrate mitigation and water rights. On March 16, 2022 The District and Clallam County submitted a revised draft mitigation plan to the Washington State Department of Ecology. We are awaiting their response so we can move forward with the District's 2006 water right application process. Securing water rights would allow the District's construct infrastructure that would provide safe drinking water to the existing and future service area and make water available for development of affordable housing throughout the Carlsborg Urban Growth Area.

29:29: General Manager Sean Worthington provided an update on the current critical scarcity, extreme lead-times of, and increase in cost (double to triple) of pad mounted transformers (which now appears to be affecting pole-mounted transformers as well). This supply chain issue stems from steel which comes primarily from Ukraine and China. The District currently has a deficit of

80 padmounted transformers, after pulling 50 idle padmounted transformers from the field for repair which may result in a few dozen usable transformers.

The District currently has nine orders in place for 237 transformers with multiple vendors. A large number of the ordered transformers were scheduled to be delivered in October 2021. That delivery was postponed to this month and we were recently informed the delivery slipped again to July 2022. Estimated delivery dates for new orders are currently being quoted at 66 to 84 weeks and are subject to change, as is the pricing. The District has notified the North Peninsula Building Association (NPBA) and the contractors that we work with that we cannot accept any new service orders until we are re-supplied. We've notified customers with an urgent need that we can temporarily supply a pole-mounted transformer in lieu of a pad-mounted one in the interim and are sending a letter to the City of Sequim to assist in HOA variance requests in these cases.

General Manager Sean Worthington advised that American Public Power Association (APPA) sent a letter out to all of its member utilities across the nation advising them to take whatever steps possible to secure or repair transformers before the hurricane and wildfire seasons starts on June 1st, which will exacerbate supply chain shortages. He also met with Washington Public Utility District Association (WPUDA) Director George Caan and others to propose a plan to submit a joint order for transformers in the hopes of getting moved up the line for deliveries, however he was informed this likely will not result in quicker deliveries. The District continues to search for transformers to insure a sufficient emergency supply on hand.

BOARD ACTION ITEMS FOR STAFF 44:34

- a. Contact DCD Director Mary Ellen Winborn and Mary Verner of the PA Water department in order to assist the County in obtaining Carlsborg water rights which is required for the District to complete the critical water project that will mitigate nitrate levels.
- b. Provide an update on the Carlsborg water rights issue to EDC Director Colleen McAleer, request that the EDC attend the County's June 6th work session and preliminary County Commissioner meeting on the 8th and give comments at the County's June 6th work session on the District's revised draft mitigation MOU, and request the EDC's assistance in securing ARPA funding for the estimated \$6.6 million mitigation project.
- c. Reach out to the PDN and other print and radio media, in addition to our extensive social media postings, to notify the public about the critical transformer supply chain issue.
- d. Provide updates on the transformer situation at upcoming meetings.

COMMENTS FROM THE PUBLIC 46:17

There was no public comment.

ADJOURN

The meeting adjourned at 9:46 AM.

A detailed transcript of this meeting via audio recording is available to the public on the Commission Meetings page of the PUD website here: <https://clallampud.net/commission-meetings/>.

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