

PUBLIC UTILITY DISTRICT NO. 1 OF CLALLAM COUNTY  
MINUTES OF THE REGULAR WEEKLY MEETING OF  
THE BOARD OF COMMISSIONERS  
FEBRUARY 11, 2008

The regular weekly meeting of the Board of Commissioners of Public Utility District No. 1 of Clallam County was held at the Port Angeles Office, 2431 East Highway 101, on the above date commencing at 1:30 p.m.

Commissioners present were: Hugh Haffner, President; Hugh E. Simpson, Jr., Vice President; and W.E. Purser, Secretary.

Staff present were: Doug Nass, General Manager; Joshua Bunch, Treasurer Controller; Jana Robbins, District Auditor; Fred Mitchell, Power Supply and Utility Services Manager; Tom Martin, Water and Wastewater Systems Assistant Superintendent; and Carol Biss, Executive Assistant.

Others present were: Steve Tharinger, Carol Creasy, Lisa Donaldson, Richard Donaldson, Virginia Erwin, Jim Jones, and Teri Martin.

On motion of Commissioner Purser, seconded by Commissioner Simpson and carried, the Commission approved the minutes of the February 4, 2008 regular weekly meeting as submitted. On motion of Commissioner Simpson, seconded by Commissioner Purser and carried, the Commission approved the minutes of the February 4, 2008 work session as amended. On motion of Commissioner Purser, seconded by Commissioner Simpson and carried, the Commission approved the minutes of the January 28, 2008 regular weekly meeting as submitted.

Upon recommendation of staff and on motion of Commissioner Purser, seconded by Commissioner Simpson and carried, the Commission approved the prequalifications of contractors on the lists dated February 11, 2008.

Upon recommendation of staff and on motion of Commissioner Purser, seconded by Commissioner Simpson and carried, the Commission approved the removal of delinquent accounts in the amount of \$9,062.03.

Clallam County Commissioner Steve Tharinger was present to discuss with District Commissioners the commitments necessary to continue work on developing a sewer system and new water supplies for Carlsborg. Possible funding options were discussed. Commissioner Tharinger emphasized that both additional water and a sewer system are needed for growth in the Carlsborg area. He offered financial assistance from the County to help improve the ratio of grant to assessment/loan funding of the sewer system. Additionally, he urged the Commissioners to consider expanding water service to customers outside the Carlsborg LUD boundary using the existing water right for the LUD. Mr. Richard Donaldson was present to discuss his need for water service in order to develop property he owns, which is outside the LUD boundary. There was a discussion of water right transfer options. Before leaving the meeting, Commissioner Tharinger asked the District Commissioners to support the selection of BHC Consultants as the prime contractor to prepare the capital facilities plan for the proposed sewer system and lead public involvement efforts. He also requested that the Commissioners approve a memorandum of agreement with the County to collaborate and share funding on completing the feasibility assessment and preparing a capital facilities plan for the proposed reclaimed water reuse system. Water and Wastewater Systems Assistant Superintendent Martin discussed the County's On-Site Septic Program. The County will start with the Marine Recovery Area, which is what most of the Dungeness River Watershed is designated as. Mr. Martin explained that the County's On-Site Septic Program will inspect septic systems in Carlsborg where systems are known to be failing and, therefore, contributing to nitrate contamination of groundwater in the shallow aquifer. Owners of private water systems in Carlsborg have had to drill deeper wells to avoid this contamination. He discussed the use of District property in Carlsborg for a water reclamation plant site. Ms. Virginia Erwin talked to the Commissioners about the property and water right she owns in the Carlsborg area. She mentioned that she had to drill a deeper well because newer wells installed nearby lowered the aquifer water level and reduced her well yield. Mr. Martin added that piping of irrigation ditches are expected to further reduce aquifer water levels and cause the yield of the District's Carlsborg and Loma Vista wells to fall below the maximum instantaneous withdrawal rate specified in the well water rights. Mr. Martin explained that he brought this potential water right impairment to the attention of the Department of Ecology at a recent Dungeness River Instream Flow and Water Management Rule Work Group meeting. He informed the Commissioners that the theme of the next Dungeness Instream Flow and Water Management Rule Workshop is how the rulemaking would affect individual situations. The Department of Ecology requested that the community provide specific examples and at the workshop, will describe how rulemaking would apply.

Upon recommendation of staff and on motion of Commissioner Purser, seconded by Commissioner Simpson and carried, the Commission authorized the General Manager to sign a memorandum of agreement with Clallam County to collaborate and share funding on completing the next phase of the feasibility assessment and preparing a capital facilities plan for the proposed reclaimed water reuse system in Carlsborg.

Upon recommendation of staff and on motion of Commissioner Simpson, seconded by Commissioner Purser and carried, the Commission approved collaboration with the County on forming a technical team comprised of state and federal infrastructure funding agencies to prepare a financing plan for the proposed reclaimed water reuse system in Carlsborg.

A list of claim vouchers as certified by the General Manager and District Auditor was considered. On motion of Commissioner Simpson, seconded by Commissioner Purser and carried, the Commission approved payment of claim vouchers in the amount of \$1,194,494.39 for February 11, 2008. District Auditor Robbins reported that the claim vouchers included 15 rebates for conservation programs totaling \$7,050.

General Manager Nass reported on a water main break under the Little Hoko River in the Clallam Bay/Sekiu area. A temporary bypass was installed using a fire hose. Because of the possibility of contaminants, the Department of Health (DOH) issued a bottled-water advisory on February 5. The District used its automated dialing system to notify customers and distributed door hangers to customers who were not reached by telephone. Notices were sent to the media, newspapers, and radio stations, and notices were posted in the community. A new emergency procedure is being established with the County for emergency notification in the Clallam Bay and Sekiu areas. The District installed a semi-permanent bypass, and tests showed the water is safe to drink. The DOH rescinded the precautionary bottled-water advisory and customers were notified. A permanent repair will be considered when the water level in the river is lower.

Mr. Nass provided the Commissioners with copies of a summary of the cost increases over the last five years for various materials the District uses. He reviewed a schedule of upcoming meetings. The February 18 Commissioners meeting has been canceled. There is a Commissioners work session on March 3 at 10 a.m. to discuss facilities access. The annual student science competition will be held March 15 at the Coast Guard Station – Ediz Hook. The Department of Ecology is sponsoring a Dungeness Instream Flow and Water Management Rule Workshop on March 26.

Attendance at meetings was confirmed and approved.

There being no further business to come before the Commission, the meeting adjourned at 4 p.m. to meet again, Monday, February 25, 2008, at 1:30 p.m. in the Port Angeles office.