

**Public Utility District No. 1 of Kitsap County
Board of Commissioners Meeting Minutes**

**Virtual Meeting
Tuesday, July 28, 2020**

Zoom Link:

<https://us02web.zoom.us/j/87033872889?pwd=Z3V2NW5ESEExJcWVVVHpCV2J3aG44dz09>
Meeting ID: 870 3387 2889

President Lester called the regular meeting via a Zoom teleconference to order at 9:30 a.m., Tuesday, July, 28, 2020.

Districts Represented: President Debra Lester - North Kitsap, Vice President Heather Pauley - Central Kitsap, Secretary Jim Civilla - South Kitsap

KPUD Staff: General Manager Bob Hunter, Assistant Manager Jason Nutsford, Attorney William Broughton, District Engineer Bill Whiteley, Water Resources Manager Mark Morgan, Superintendent of Operations Dave Epperson, Telecom Business Manager Angela Bennink, IT Manager Paul Green, GIS Manager Katrina Harris, GIS Analyst Chelsea Sturgal, Customer Service Representative Amanda Cheatham, and Executive Administrative Assistant Corine Vichi

Visitors: Shelley Andrews (OMNIA Partners), Nico Rivero (Quartz)

Approval of Agenda of the July, 28, 2020 Board Meeting

Commissioner Pauley moved that the Agenda of the July, 28, 2020 Board Meeting be approved as amended. Commissioner Civilla seconded the motion. MOTION PASSED UNANIMOUSLY.

Visitor

Attorney William Broughton introduced Ms. Shelley Andrews with OMNIA Partners. She has been a valuable asset and her company OMNIA is part of the new procurement process approved by the State Auditor after Legislation was passed in 2019.

Regional Manager Shelley Andrews for OMNIA Partners thanked Mr. Broughton for inviting her to the board meeting. Ms. Andrews provided a brief history about OMNIA which is a large national cooperative purchasing organization. KPUD is now a member. Ms. Andrews noted in 2019 RCW 39.34.030 was amended to allow agencies of any size and any type to piggyback off of cooperative contracts to take advantage of that pricing without having to adhere to the lowest responsive bidder language in the previous RCWs. A competitive solicitation is required in compliance with KPUD policies and State statutes.

Ms. Andrews explained that she is a resource for members and will assist the PUD in its efforts to find the product or service needed, be it through OMNIA Partners program or another program. There are nearly 300 cooperative contracts that could be available to KPUD. Discussion ensued.

Approval of Minutes of July 14, 2020

Commissioner Pauley moved that the minutes of the July 14, 2020 Board Meeting Minutes be approved as submitted. Commissioner Civilla seconded the motion. MOTION PASSED UNANIMOUSLY.

Approval of Payments through July, 28, 2020

Vouchers audited and certified by the auditing officer as required by RCW 42.24.080 and those expense reimbursement claims certified as required by RCW 42.24.090 have been recorded on a listing, which has been made available to the Board. As of this date, July, 14, 2020, the Board, by unanimous vote, does approve for payment Warrant Numbers 57454 through 57526 in the amount of \$510,462.14 for Accounts Payable of which fourteen (14) exceeded \$5,000 and \$248,386.20 for payroll direct deposit through Automated Clearing House Services.

Old Business

None

New Business**Recommendation to Award RT-255294 Carney Lake Rd., Port Orchard Fiber Project**

Telecom Business Manager Angela Bennink reported the bid opening for this project was held on July 27, 2020. The project was advertised through the Small Works Roster and the Kitsap Sun. Three (3) bids were received. The low bid was \$195,900.00 (excluding WWST) from Utilities Technologies, Inc. The Engineer's estimate was \$292,368.53 (excluding WSST). Commissioner Pauley made a motion to award the contract as submitted which was seconded by Commissioner Civilla. MOTION PASSED UNANIMOUSLY.

Recommendation to award RT-255296 Parcels Rd., Kingston Fiber Project

Telecom Business Manager Angela Bennink reported the bid opening for this project was held on July 21, 2020. The project was advertised through the Small Works Roster and three (3) bids were received. The low bid was \$58,670.00 (excluding WWST) from MLS Enterprise, Inc. The Engineer's estimate was \$101,817.26 (excluding WSST). Commissioner Pauley made a motion to award the contract as submitted which was seconded by Commissioner Civilla. MOTION PASSED UNANIMOUSLY.

Customer Service

Customer Service Representative Amanda Cheatham stated that the customer service department continues working well. Ms. Cheatham reported that this billing cycle will include four months of water commodity billing versus the normal two month billing. Meter reading was not done earlier due to COVID-19. Customer service is anticipating a large call volume.

Ms. Cheatham informed the Board that there is a newsletter on the website explaining the billing as well as in the body of the billing statement.

Water Resources/Education**Emergency Update**

Water Resources Manager Mark Morgan reported that water resource department is proceeding along well. Staff is out taking regular hydro data, regulatory water quality data and has wrapped up lead and copper sampling for all of KPUD's water systems.

Vinland Lead and Copper Issue

Mr. Morgan provided a brief reminder of last year's action level for lead and requirements expected of KPUD. He stated that a round of samples in January was one of the requirements and another round this past June. January's sample came in under the action level at 14 ppb. The action level is 15 ppb. The samples taken in June came back over the action level which may require a number of additional actions to control corrosion. The District has submitted a corrosion control study to the Department of Health (DOH). Mr. Morgan informed the Board that discussions with DOH will take place as soon as they are able to respond. More information to come as it becomes available.

Newberry Well Update

Mr. Morgan provided the most recent update from Hydrogeologist Joel Purdy that the pump is stuck in the well which is 900 ft. deep. Multiple efforts have been taken to free the pump unsuccessfully with different cranes with a variety of capacity attempting to dislodge it. Mr. Purdy believes that PVC debris has broken from the sounding tube and lodged in between the space of the

the pump and well casing. His recommendation for the next step is to bring in a drill rig capable of spinning the well casing and moving it up down to see if they can dislodge it. General Manager Bob Hunter stated KPUD would investigate if this well issue is covered by insurance. Discussion ensued.

Consolidation Feasibility Grants

Mr. Morgan informed the Board that management met to discuss submitting a grant application for Bill Point (Bainbridge Island) and he is proceeding with gathering materials needed to submit in August.

Water Operations

Emergency Update

Superintendent of Operations Dave Epperson reported that the field crew did an excellent job while he was away on vacation. Summer has begun and the systems are pumping more than normal water usage. He suspects this week is when the District will record its peak day values on several water systems for the entire year. Mr. Epperson also reported that the water systems are doing well as well as staff.

Managed Water System Updates

Mr. Epperson reported that the following managed water systems 1) West Sound Academy, Poulsbo, and 2) Bill Point (Bainbridge Island) have failed coliform bacteria samples. Staff is navigating those with the Department of Health (DOH). Mr. Epperson stated that the same maintenance is performed for managed systems as for the District's owned systems although capital improvements are needed for the above mentioned systems. Staff will be going in to clean and disinfect the systems. Discussion ensued.

Mr. Epperson also reported that Puddingstone and other managed water systems in the Seabeck area encountered a failed well. The well was drained and repaired successfully. The District also encountered six leaks on its own wells and they have also been repaired successfully.

Maintenance and Operations

Superintendent of Operations Dave Epperson mentioned that a roof was replaced on one of the well houses in the Kingston area with a metal roof.

Mr. Epperson also informed the Board that he met with City of Bainbridge Island (COBI) Operations and Maintenance Supervisor Dave Marquis, Operations and Maintenance Manager Charles Krumheuer and their engineers regarding the Rockaway Beach emergency intertie. The meeting went well.

Commissioner Lester inquired as to the construction projects taking place on Bainbridge Island including the roundabout planned at Wyatt Way NW and Madison Ave North and if there would be any impacts to KPUD water or telecom.

Ms. Bennink stated that she has not been able to reach COBI Project Manager Emily Cady. It is her understanding that this project started yesterday. She will reach out to Ms. Cady and work with her regarding the roundabout project at Wyatt Way NW and Madison Ave North and other ongoing projects to ensure there are no impacts to KPUD. Telecom is aerial in that area.

Construction

South Bainbridge Hilltop Main Relocation

Superintendent of Operations Dave Epperson reported on behalf of Construction Project Manager Todd Smith that the final connection was made yesterday at the tank and one more valve will be

cut in later this week. The old main has been completely abandoned and the new water main is operational.

South Bainbridge Baker Hill Transfer Station Fencing

Mr. Epperson stated that the fencing is scheduled towards the end of August 2020 layout. There is KPUD In-House planning for a filter plant on site and a wireless provider interested in leasing space on site as well.

Regional Phase 8 Bore

Mr. Epperson reported that the bore is in addition to Phase 8 which was unplanned. However this comes as a cost saving to Phase 8 and is taking place today and should be completed tomorrow.

North Peninsula – Hansville Office Generator

Mr. Epperson mentioned that this is a project in the capital budget. The building is a shared facility with half now housing a telecommunications node, SCADA System and booster station. The generator will a great addition.

Strawberry Hill Well Pump Replacement (Bainbridge Island)

Mr. Epperson reported that he just received an email from Hydrogeologist Joel Purdy informing him that he has sent out for quotations for the well pump replacement which is in the capital budget.

Engineering

Managed System Update

Engineer Bill Whiteley reported that the Port Madison (Bainbridge Island) managed water system is having trouble. The pump is pulling too much water which draws more horse power causing the power to trip. There is a check valve fail. The system will need to be taken down in order to replace the valve. Discussion ensued.

Minder Road Boring Update (Poulsbo)

Mr. Whiteley reported that the Minder Road bore project is taking place and stated that Armadillo Boring Inc. uses a very interesting process. Mr. Whiteley shared pictures on the screen.

Miscellaneous Updates

Mr. Whiteley reported that he continues to work on modeling for the South Bainbridge Part “B” on how to combine the two systems. He anticipates having it done in August and submitting it in September.

Assistant Manager

Emergency Update

Assistant Manager Jason Nutsford reported that he has ordered different face coverings for employees to provide enough face masks to launder and work effectively. He is also looking for alternative face covering with the summer upon us and appreciates any feedback on the product provided. He will continue to make improvements as this is not going away anytime soon.

CAREs Act Funding

Mr. Nutsford thanked Commissioner Lester for forwarding the information on the potential CAREs Act Funding that utilities are using for supplementing utility bills or rate assistance. Mr.

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Nutsford has reached out to the County representative administrating those funds and will follow up. Discussion ensued.

Water Non-Contiguous Local Utility District (NCLUD)

Mr. Nutsford informed the Board of the District's first water NCLUD customer. He reminded them that years ago the District developed a Conservation Lease for customer unable to purchase a water connect. As the District has had the NCLUDs on the telecom side, they are now being used on the water side. The customer has provided the paperwork to participate in the NCLUD and will now have a secure water connection and be able to pay that off over the course of 20 years.

Doosan Generator

Mr. Nutsford reported that a memorandum was sent to the Board for authorization for the General Manager Bob Hunter to sign the credit card application for purchase of one (1) 2020 Doosan G50 generator through a nationwide purchasing cooperative Sourcewell in the amount \$35,193.79 (including WSST) delivered. Discussion ensued.

After discussion and upon the recommendation of Assistant Manager Jason Nutsford, Commissioner Pauley moved to approve General Manager Bob Hunter to sign the credit card application for purchase of one (1) 2020 Doosan G50 generator. Commissioner Civilla seconded the motion. MOTION PASSED UNANIMOUSLY.

Geographic Information Systems (GIS) Department

Emergency Update

GIS Manager Katrina Harris stated there is nothing new to report for the emergency update. Staff continues to function as they have been.

Current Activities

GIS Manager Harris reported that last week staff is working with both Telecom Business Manager Angela Bennink and Information Systems Manager Melissa Dennis to post a WiFi hotspot app on the District's website. She has also been working on cross training GIS Analyst Chelsey Strugal in water. Training will continue through this week and balancing that with the telecom construction record drawings (CRDs). GIS Manager Greg Berghoff and IT Manager have been busy updating the telecom mapping software for all of GIS.

Telecom Operations

Emergency Update

Telecom Business Manager Angela Bennink reported that on Monday afternoon a PSE power line broke near Kingston St NE, Indianola. When the power line broke, the two power poles on both sides lost tension and moved apart enough to break KPUD fiber. PSE had completed repairs just after 11:00pm. Telecom hired a contractor to string new fiber alongside KPUD crews. The emergency break total contract invoice was in the amount of \$4005.75 including tax. KPUD had fiber restored by 3:00am on Tuesday.

Residential Updates

Telecom Business Manager Angela Bennink reported that the Bridletree Community, Bremerton LUD No.29 installation has been completed an all 43 customers were installed last week. This week staff is working on the Soundview development of 60 homes off Werner in Bremerton as well as identifying other fiber possibilities for Silverdale and Bremerton. Discussion ensued.

Ms. Bennink reported that she is working with staff in balancing installations as vacations are being scheduled.

Federal and State Funding Opportunities

Telecom Business Manager Angela Bennink reported that there are no new updates on federal and state funding opportunities at this time. She did attend a webinar on Monday that discussed the benefits of broadband and how it's needed. Towards the end they talked about new grant opportunities that will be available: 1) e-Connectivity Grant, and 2) Community Connect Grant both USDA Grants. There is no available date yet at this time.

NoaNet Update

Telecom Business Manager Bennink reported that NoaNet will hold a Board of Directors Zoom meeting on August 12, 2020.

Manager**Emergency Update/2020 Budget Concerns as Result of COVID-19**

General Manager Bob Hunter stated that he continues to have conversations with staff as they transition back to a normal work week and have children that may require childcare or alternative options for distance learning.

Mr. Hunter stated that he continues to work through the budget process. Final billing goes out this week and he'll put together information on expected revenues by the next board meeting. Discussion ensued.

New Facility Update

General Manager Hunter stated there is nothing new to report at this time.

Bill Point Update (Bainbridge Island)

General Manager Hunter reported that he and staff are discussing applying for a \$30,000 consolidation grant for three water systems, including Bill Point on Bainbridge Island. Mr. Hunter also informed the Board that Emerald Heights has had an offer to purchase made by North West Water System Inc. Discussion ensued.

Finance Director

General Manager Hunter reported that he is considering postponing the finance director interviews due to COVID-19. A draft letter is being drafted to send to all candidates.

Legislative Efforts

General Manager Bob Hunter reported that Director William Bridges, State Legislative and Regulatory Affairs at CenturyLink reached out to him to discuss contacting Senator Christine Rolfes to propose a bill giving PUDs and Port Districts retail authority in return for deregulation for CenturyLink on Carrier-of-Last-Resort Obligations. Discussion ensued.

Legal Counsel

Attorney William Broughton stated there is nothing new to report at this time

Commissioner Discussion

Commissioner Pauley attended the WEDA Annual conference virtually and stated it was a great meeting. She also mentioned that WPUD Association's Friday Facts shared an article welcoming Skagit PUD new commissioner Germaine Kornegay to fill the unexpired six-year term of its Commissioner District No. 3. Commissioner Pauley stated her appreciation in the diversity shown in the hiring.

Commissioner Lester attended a Jurassic Parliament zoom work shop “Better Meetings Advance Social Justice” on July 16, 2020 at 4:00 p.m. She also shared her surprise in the WPUD Association announcement of WPUA's Water Program Director John Kounts retirement.

Agenda Requests

None

Board Meeting

The next board meeting will be held August 11, 2020 beginning at 9:30 a.m. via a Zoom video teleconference a link will be posted.

Adjournment

Having no further business, the regular meeting was duly adjourned at 11:41 a.m.

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Commissioner Debra Lester

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Commissioner Heather Pauley

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Commissioner James T. Civilla