

MINUTES OF THE WORK SESSION OF THE COMMISSION
PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY, WASHINGTON

December 15, 2009

A Work Session of the Commission of Public Utility District No. 1 was held in the Aqua Room of the utility located at 1415 Freeway Drive, Mount Vernon, Washington, on December 15, 2009.

The work session was called to order at 2:01 PM. Those Commissioners in attendance were: Jim Cook, President; Robbie Robertson, Vice President; and Al Littlefield, Secretary. Also in attendance were: Dave Johnson, General Manager; Mark Fredlund, Treasurer; Brad Spangler, Operations Manager; Larry Saunders, Engineering Supervisor; Tim Hiltz, Engineering Technician; and Kim Carpenter, Recording Secretary.

Agenda includes the following topic:

- Residential Fire Sprinkler System Policy

Engineering Supervisor Saunders gave a power point presentation regarding residential fire sprinkler systems in one and two family dwellings including the following:

- Topics for Discussion
- History of RFSS's and Why We Are Here
- Why We Need a RFSS Policy
- Where Do Fire District's Stand
- Fire Sprinkler Video
- Where Do Developer's Stand
- Flow-through System
- Non- Flow-through System
- Stand Alone System – Main Tap
- Stand Alone System – Domestic Tap
- Valves Domestic System
- Water Policy Manual
- Summary of Where We Are
- How Should We Proceed from Here?

Discussion ensued regarding various aspects of the information presented including liability issues, District indemnity, pressure drops, residential vs. commercial property, differences between the difference system scenarios, potentially proposing legislation to charge municipals to cover fire lines, whether or not to charge SDF, scheduling a public meeting and determining who to invite and what information to present and potential system impact for services larger than 3/4-inch or 5/8-inch.

Manager Johnson asked the Commission if staff should go through the time and effort to prepare cost estimates and evaluation each of the five scenarios presented or select the two most likely to be used in the majority of cases and present those at a public meeting; Commissioner Robertson indicated that the District should provide the standards and options so that the complexity of the issue can be heard by all attending the meeting. Manager Johnson stated he would enlist Community Relations Manager Tate to develop the public meeting and target audience. Discussion ensued regarding the concept for a public meeting including preparing a list of questions for the meeting and seeking out answers and input to develop District policy. Potential questions posed:

1. Should SDF be 25% more for a 3/4-inch service if the cost of a 3/4-inch service is 25% more than a 5/8-inch service;
2. If customers do not pay their water bill will cities accept liability for the water bill to keep the fire service in place;
3. Will the District have indemnity for being able to turn off water for non-payment;
4. Should monthly base rates be increased by 25%.

Manager Johnson stated that staff can develop questions regarding indemnity, installation costs and monthly fees. He stated the District should go into the public meeting with a strategy to gather information to determine policy based on what the requirements will be.

Commissioner Robertson asked if he should place the issue on the WA PUD Association (WPUDA) Water Committee agenda regarding whether to allow or provide lien capacity (legislative relief); Manager Johnson replied that it may be more effective to support the issues addressed by the TAG report. Treasurer Fredlund asked if the District is even sure it would be liable if it shuts off a fire service. Manager Johnson suggested asking Bill Clark to ask for a legislative indemnity fix.

Engineering Supervisor Saunders stated that staff will prepare a list of questions. Commissioner Littlefield asked that the Commission be emailed the list for review.

Commissioner Robertson stated he would speak with the WPUDA lobbyist regarding liability.

The work session was adjourned at 4:11 PM.

Respectfully submitted:

Kim Carpenter
Recording Secretary