

**Skamania County Public Utility District #1  
Regular Meeting of the Board of Commissioners**

June 21<sup>st</sup>, 2010

A regular meeting of the Board of Commissioners was called to order by President Curt Esch at 9:00 a.m. at the PUD office in Carson, WA. The following persons were present: Commissioner Curt Esch; Commissioner Clyde Leach; Commissioner Dennis Gale; Manager, Bob Wittenberg; Auditor, Chris Iobst; Attorney, Ken Woodrich; Head Accounting Clerk, Betty Daubenspeck attended the meeting as a public member; Commissioner Candidate, Bob Talent

**GUEST**

- **Alecia Dodd, Efficiency Services – CFL Program-** Iobst presented an overview of the proposed CFL Direct Mail Program that would deliver 14 cfl bulbs to every residence in Skamania County. Iobst noted the program would be fully funded by BPA and benefit the District's 2010 High Water Mark calculation. Dodd reviewed the qualifications and experience of AutoCell in servicing other PUDs in similar programs. Contingent upon Woodrich's review for compliance with bidding and payment requirements, Commissioner Leach made a **motion** to proceed with the CFL Direct Mail Program. Commissioner Gale **seconded**, and the motion was **carried unanimously**.

**MINUTES**

The Board reviewed and revised Minutes from the June 7<sup>th</sup> Meeting, deciding to do further review before adopting at the next Meeting.

**OLD BUSINESS**

- **Organization Chart and Management Position Descriptions-** The Board, Staff and Woodrich discussed creating position descriptions for the Auditor and Manager with evaluation criteria and a formal organization chart for the District. The Board agreed to evaluate management consultants at the next Meeting who have experience in developing those tools.

Commissioner Esch requested the Meeting enter Executive Session at 11:15 a.m. to discuss potential legal matters, estimated for 5 minutes.

The Meeting resumed in Regular Session at 11:20 a.m. with no action taken.

## NEW BUSINESS

- **Water Leak Adjustment Policy** – Wittenberg presented a proposed Water Leak Adjustment Policy for Underwood Water customers that charges only for incremental costs above their normal usage. Board and Staff discussed calculation options and administrative procedures, including a possible administration fee. Wittenberg will present a revised policy at the next Meeting.

Commissioner Leach made a **motion** to suspend all late charges and notices to Underwood Water customer Jen Bayer until a new Water Leak Adjustment Policy has been adopted. Commissioner Gale **seconded**, and the motion was **carried unanimously**.

- **Weeds** – Wittenberg noted he fielded a phone call from the County Weed Department regarding scotch broom on a property where the District has a utility easement. He referenced a previous situation where the District and County Commissioners had a joint meeting to discuss weed control and the District's position that utility easements only gives authority to construct and maintain utility equipment.
- **Possible Territory Expansion** – Wittenberg reviewed a conversation with a Clark PUD employee about the District possibly serving several customers currently being served by Clark. The customers are in close proximity to other District customers, and Wittenberg will follow up with management at Clark to investigate options. Gale noted he is more in favor of acquiring the customers than primary metering them and billing Clark for their usage.
- **Resolution #2345 – Equipment Replacement Fund Transfer** – Iobst presented Resolution #2345 to transfer \$31,249.20 from the Equipment Replacement Fund to the Electric General Fund for the purchase of a 2010 Silverado 1500 from Bud Clary Chevrolet. Commissioner Esch stated his objection to the purchase of the Silverado model. Commissioner Leach made a **motion** to approve Resolution #2345. Commissioner Gale **seconded**, and the motion was carried by a 2-1 vote, Commissioner Esch casting the opposing vote.

## DISCUSSION ITEMS

- **Washington PUD Association** – Wittenberg announced that Clark PUD withdrew membership from the Association. He noted that the Association is in a period of transition and other PUDs may have increased dues to offset the losses of Clark and Snohomish.
- **BPA IRP Process** – Wittenberg reviewed efforts to extend BPA's debt over a longer period and subsequent conversations at the PUD Managers' Meeting. He also reviewed the market and politics surrounding nuclear fuel rods.

- **NWPPA Annual Meeting** – Wittenberg reviewed his attendance at the meeting in Sacramento noting that new nano technology and manufacturing techniques will give future power lines up to 6 times the capacity of current lines.

## **MANAGER'S REPORT**

- **May Outage Report** - Wittenberg reviewed May outages.
- **Power Sprayer for Tree Crew** - Wittenberg discussed a request from Tree Crew Foreman, Pat Hartley, to purchase a power sprayer for his crew. The Board discussed potential liabilities with using a power sprayer and also their concern for the safety of the tree crew.
- **Highway 14 Line Replacement** - Wittenberg noted the Line Crew has acquired all the permits and is currently working on replacing the next 1.5 mile stretch of Highway 14.

## **AUDITOR'S REPORT**

- **Residential Exchange Settlement** - Iobst reviewed the history of look-back credits on BPA bills, and Wittenberg noted that credits of \$17K per month will continue for the 2011 rate year.
- **First Quarter Electric Financials** - Iobst noted he will present financials at the next meeting and he indicated that first quarter kWh usage and revenue decreased 10% compared to 2009 due to milder weather.

## **COMMISSIONERS' REPORT**

- **Commissioner Gale:**

**Washington PUD Association Workshop** – Gale praised David Siburg, Manager of Kittitas PUD, for his presentation on defining the roles of Commissioners and Managers. He noted that staff could participate as committee members under the proposal.

**WAPAG Meeting** – Gale reviewed Terri Mundorf's discussion on the mediation process between the IOUs and public power and WAPAG's assessment of which PUDs would be needed to support litigation.

**PURMS Meeting** – Gale noted that the renewed brokers contract with Marsh has a waiver for consequential damages as is standard with other insurance companies. He reviewed the District’s increasing health insurance costs which increased from \$762/mo. for each employee in 2009 to over \$1,100/mo. per employee in 2010. He recommended reviewing coverages during the next collective bargaining process as the Health Care Bill could raise costs an additional 40% to PURMS members. Gale noted that Hurricane Katrina caused AEGIS’ reserves to drop dramatically, resulting in increased property insurance rates for PURMS members and forcing some PUDs to look at policies in the general market.

- **Commissioner Esch – Request for Information** – Esch reviewed his request for timesheets and his correspondence with Jason McEathron of the State Auditor’s Office who affirmed that he has access to any information that he requests. Wittenberg reviewed his communication with the Union and Woodrich before releasing the information to Esch. Leach recommended getting legal opinions from the Attorney General’s Office or Jan Judy at the Legal Affairs Office.
- **Commissioner Gale Request** – Gale requested that Commissioners be appraised of any future salary or per diem changes by including it on the Meeting Agenda with effective dates.

**VOUCHER APPROVAL**

The following vouchers were approved for payment by a **motion** made by Commissioner Gale.

<b>Voucher</b>	<b>Number</b>	<b>Amount</b>
Electric System	45043-45093	\$ 226,865.21
Carson Water	5618-5623	\$ 1,982.50
Underwood Water	3346	\$ 1,539.50

Commissioner Leach **seconded**, and the motion was **carried unanimously**.

The Meeting Adjourned at 3:25 p.m.

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**Curt C. Esch, President**

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**Clyde D. Leach, Secretary**

The next regular scheduled Board of Commissioner’s Meeting will be:  
**Tuesday, July 6<sup>th</sup>, 2010 at 9:00 a.m.**