

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

July 6th, 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

MINUTES

Commissioner Gale made a **motion** to approve corrected Minutes of the June 7th, 2010 Meeting. Commissioner Leach **seconded** the motion, and the minutes were **approved** by a 3-0 vote.

Commissioner Gale made a **motion** to approve corrected Minutes of the June 21st, 2010 Meeting. Commissioner Leach **seconded** the motion, and the minutes were **approved** by a 3-0 vote.

OLD BUSINESS

- **Resolution #2346, Water Leak Adjustment Policy-** Wittenberg presented Resolution #2346 and a revised Water Leak Adjustment Methodology for Board review. The policy allows customers to apply for a water leak adjustment for billed costs above the incremental cost of the leak. The Board chose to include a \$75 administration fee for all water leak adjustments. Wittenberg revised the Water Leak Adjustment Methodology per Board input, and Commissioner Leach made a **motion** to approve Resolution #2346 and the attached Schedule A, Water Leak Adjustment Methodology. Commissioner Gale **seconded**, and the motion was **carried unanimously**.

Commissioner Gale made a **motion** to credit the Bayer account \$1,588.89 for a water leak under the provisions of Resolution #2346. Commissioner Leach **seconded**, and the motion was **carried unanimously**.

- **Underwood Water Issues-** Wittenberg noted that the new Connie Reservoir is online after positive water quality test results. He also reviewed water efficiency results, noting that water losses dropped from 40% in 2008 to 24.5% in 2009.

Board and Staff reviewed a letter from Mike Eastwick requesting the District adopt a discounted agricultural rate for the Underwood Water System to assist current farmers and attract new agricultural ventures. The Board noted concerns for water shortages and the system's design to serve primarily residential customers according the Water Plan. Wittenberg recommended the Board not adopt an agricultural rate, and the Board agreed.

- **Brush Control Sprayer-** Wittenberg reviewed a request from Tree Crew Forman, Pat Hartley to purchase a sprayer for his crew, estimated at \$3,000. Wittenberg noted improved efficiencies and reduced crew time in spraying with a power sprayer. Commissioner Leach made a **motion** to approve the purchase of a power sprayer for the tree crew. Commissioner Gale **seconded**, and the motion was **carried unanimously**.
- **CFL Direct Mail Program-** Wittenberg noted a Request for Proposal will be advertised in the Skamania Pioneer for vendors to package and ship CFL bulbs as part of the CFL Direct Mail Program. He noted a possible need for a Special Meeting to award the bid to ensure the program meets the required ship date.

NEW BUSINESS

- **First Quarter Electric Financials** – Iobst presented Financials for the Electric System noting a reduction of sales revenue of 10% due to a milder winter in 2010. Purchased power costs were similar to 2009 even with a reduction in purchased kWh due to a reduction in the BPA Lookback Credit and a 7% overall BPA rate increase. Iobst also noted that medical insurance costs were exceptionally high during the first quarter due to high claims.

DISCUSSION ITEMS

- **Business Consultants** – Wittenberg noted he had the names of several consultants with experience in developing organization charts, business descriptions and performance criteria. He will email the Board their web site addresses for further evaluation.

MANAGER'S REPORT

- **Mary Repar Letter** – Wittenberg and the Board discussed a letter from Mary Repar regarding the yard light on her neighbor's property. Woodrich briefly reviewed nuisance lawsuits and sees the dispute as

an issue between residences, and noted that the District did not take action in regards to the letter. Although the District is under no obligation to do so, Wittenberg noted his intent to determine if a modified light shade could appease both neighbors.

The Meeting Adjourned for Lunch at 12:15 p.m., reconvening in Regular Session at 1:15 p.m.

- **Truck #6 Tool Box** – Wittenberg reviewed quotes for tool boxes for new Truck #6, recommending the purchase of an aluminum box for increased longevity at the same cost. The Board agreed.
- **State Road 14 Replacement Project** – Wittenberg noted that the Line Crew is currently working on replacing overhead lines on State Road 14 between North Bonneville and Skamania. Esch asked if permits were acquired for the project, and Wittenberg responded that the District had permits for the overhead portions and is still in the process of acquiring permits for underground sections.

AUDITOR’S REPORT

- **Radcomp Monitoring System** - Iobst reviewed the benefits from the new monitoring system administered by Radcomp. He noted earlier detection of server and computer failures and significantly reduced down time and outages for the staff. He also praised Radcomp for their communication with him in repairing and responding to system errors.

COMMISSIONERS’ REPORT

- **Commissioner Esch** - Esch stated the Termination Agreement should not be included in the Minutes of the June 21st meeting. Leach and Gale noted that the Termination Agreement was never referred to or introduced in a public meeting. Esch requested an interim one year State Audit of 2009. Leach and Gale questioned the need and the cost, and asked attorney Woodrich to contact the State Auditor’s office to determine the cost and scope of a 2009 Audit. Commissioner Esch stepped down and **made a motion** to request a one year, interim audit by the State Auditor’s Office. The motion **died for lack of second.**

VOUCHER APPROVAL

Commissioner Gale questioned the use of account 921.050 to expense small tools and asked it was compliant with FERC chart of accounts. Iobst noted he will research and report back.

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

Voucher	Number	Amount
Electric System	45094-45133	\$ 466,770.85
Carson Water	5624-5630	\$ 2,028.05
Underwood Water	3347-3350	\$ 55,168.56

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

The Meeting Adjourned at 3:40 p.m.

Curt C. Esch, President

Clyde D. Leach, Secretary

The next regular scheduled Board of Commissioner's Meeting will be:
Monday, July 19th, 2010 at 9:00 a.m.