

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

July 19th, 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; Commissioner Candidate, Judith Lanz

MINUTES

The Board and Staff discussed Minutes from the July 6th, 2010 Meeting.

Commissioner Esch stepped down and **made a motion** to edit portions of his report under Commissioners Report.

Commissioner Gale **seconded**.

Commissioner Esch requested the Meeting enter Executive Session at 9:30 a.m. to discuss a complaint against a public official, estimated for 3 minutes.

The Meeting reconvened in Regular Session at 9:33 a.m. with no action taken.

Commissioner Esch noted that he had no intent of disclosing privileged information from an Executive Session during the July 6th, 2010 Meeting.

Commissioner Esch and Gale **withdrew the previous motion and second**.

Commissioner Gale made a **motion** to approve corrected Minutes of the July 6th, 2010 Meeting. Commissioner Leach **seconded** the motion, and the minutes were **approved** by a 3-0 vote.

OLD BUSINESS

- **Consultant Selection**- Wittenberg and the Board reviewed qualifications of five prospective organizational consultants. The Board decided to interview two candidates, Judy Clark and Donald Murray at a Special Meeting to be held on August 9th. Commissioner Leach made a **motion** to authorize the Manager to set up interviews with Clark and Murray. Commissioner Gale **seconded**, and the motion was **approved unanimously**.

NEW BUSINESS

- **Yard Light Analysis-** Iobst presented a financial analysis of the District yard light program. He noted the program generated yearly net income of approximately \$25K after expenses, and the average payback for a new yard light was between 6 and 10 years, depending on the need for a new pole. The Board noted the ability of customers to install their own lights available at home improvement centers. Commissioner Leach made a **motion** to discontinue the installation of any new yard lights. Commissioner Gale **seconded**, and the motion was **approved unanimously**.

DISCUSSION ITEMS

- **WAPUDA Restructure** – Gale reported on the progress made at the July 16th Board of Directors Meeting with the assistance of a moderator in adopting an organization chart for the association. He also reviewed a document titled Association Reform–Motions Passed which provided a summary of action taken by Board. He noted the Association may forgo the hiring of a Communications Director
- **BPA Rates** – Wittenberg reported on BPA’s Integrated Program Review and BPA’s forecast that rates will increase between 15-20%, beginning with the 2012 rate period. Leach noted his concern that wind integration costs contribute to increases in BPA’s rates.

MANAGER’S REPORT

- **June Outage Report** – Wittenberg reviewed June outages. Gale asked if the outage on Belle Center was in an area with previous outages, and Wittenberg replied that the outage was on an underground cable with no previous outage history. Esch noted there was no reference of a squirrel guard being installed on the Sooter Road Outage.
- **Newsletter** – Wittenberg and the Board discussed topics for his upcoming article in the newsletter. He intends to review BPA’s increasing rates and discuss current fish issues.

AUDITOR’S REPORT

- **Bad Debt Write-Offs** – Senior Accounting Clerk, Lisa Allen presented a list of customers with bad debt totaling \$1,286.53. Commissioner Leach made a **motion** to approve the bad debt and send it to collections. Commissioner Gale **seconded**, and the motion was **carried unanimously**.

- **Medical Insurance Stop-Loss** – Iobst referenced a conversation with Dick Rodruck of PURMS who noted that the stop-loss for a District covered individual is approximately \$17K per year. Additional expenses incurred by an individual are spread amongst the insurance pool.

ATTORNEY’S REPORT

- **Interim State Audit** - Woodrich reviewed his discussion with Jason McEathron of the Washington State Auditor’s Office regarding his opinion of an interim one year audit for the District. McEathron stated, “It is not my recommendation to do an interim audit.” McEathron’s recommendation was that the District stick to the regular audit schedule, as he did not think it would be money well spent for the District to do an interim audit. Wittenberg noted that the office staff was preparing a letter objecting to the added burden of doing an interim audit.

COMMISSIONERS’ REPORT

- **WAPUDA Meeting**- Gale noted Jefferson PUD’s intent to offer electric service to their customers and their request to purchase from BPA’s allocation for new public entities. Jefferson has asked for letters of support from other public utilities. Commissioner Esch stepped down and made a **motion** authorizing Wittenberg to write a letter in support of Jefferson PUD to purchase BPA power. Commissioner Leach **seconded**, and the motion was **carried unanimously**.
- **Meal Reimbursements**- Gale asked for a clarification on meal reimbursements on days of Board Meetings. Esch noted that he submitted for reimbursements for lunch when he was unable to attend the regular lunch during the Board Meeting. The Board and Staff reviewed the current Travel and Expense Policy and discussed possibly adopting the statutory reimbursement amounts by county and location.
- **John Goodman Email**- Esch shared an email from John Goodman outlining the history of electrical problems at his residence. Esch suggested charting the power at his residence to monitor the consistency and reliability of his power. Wittenberg will follow up with Goodman.

VOUCHER APPROVAL

Commissioner Gale noted his continued concern with using account 921.050 to expense small tools.

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

Voucher	Number	Amount
Electric System	45134-45192	\$ 266,025.06
Carson Water	5631-5634	\$ 2,989.16
Underwood Water	3351-3353	\$ 1,341.87

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

The Meeting Adjourned at 1:05 p.m.

Curt C. Esch, President

Clyde D. Leach, Secretary

The next regular scheduled Board of Commissioner's Meeting will be:
Monday, August 2nd, 2010 at 9:00 a.m.