

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

August 16th, 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 attended via conference call; Auditor, Chris Iobst; Attorney, Ken Woodrich; Commissioner Candidate, Judith Lanz; Commissioner Candidate, Bob Talent; Port of Skamania County Manager, John McSherry; Port of Skamania County Commissioner; Judy Teitzel, Public Member, Betty Daubenspeck, and other members of the public.

MINUTES

Commissioner Gale made a **motion** to approve Minutes of the August 2nd, 2010 Regular Meeting. Commissioner Leach **seconded** the motion, and the motion was **approved** by a 3-0 vote.

Commissioner Leach made a **motion** to approve Minutes of the August 9th, 2010 Special Meeting. Commissioner Gale **seconded** the motion, and the motion was **approved** by a 3-0 vote.

Commissioner Gale made a **motion** to approve Minutes of the August 11th, 2010 Special Meeting as corrected. Commissioner Leach **seconded** the motion, and the motion was **approved** by a 3-0 vote.

NEW BUSINESS

- **Port of Skamania Request-** John McSherry, Manager for the Port of Skamania requested the District enter into an inter-local agreement with the Port to reduce installation costs associated with a line extension in North Bonneville. McSherry reviewed the scope of their business park development and noted potential tenants. He proposed the Port pay for all materials for the installation, approximately \$30K, and the District contribute labor, stores and transportation costs, approximately \$12K. The Board asked for more time to review the request. No action was taken.

- **BPA Purchased Power Evaluation-** Iobst presented an evaluation of BPA costs from 2006 through 2010 and an estimate for 2011 based on BPA's proposed rate increase. He noted the Lookback Credit for 2011 will remain at \$17K/month, and BPA's estimate of an 18% rate increase will not go into effect until October, 2011. Iobst projected total 2011 costs for purchased power at \$4,665,000.

- **Requested Change to Health Insurance-** Wittenberg presented a request from an employee to modify the District’s health insurance policy to cover disabled dependants over the age of 24 who are also covered by Medicare. Wittenberg presented anonymous examples of two disabled dependent children and proposed language to change the District’s insurance to provide coverage secondary to Medicare for disabled dependents. Esch expressed concerns for adversely affecting an existing disabled dependant with changing the coverage and noted the request had not come through the Health Insurance Committee process. He also discussed that extending the age of coverage could further increase insurance costs and proposed doing more research before making any changes.
- **Residential Exchange Benefit-** Board and Staff reviewed a memo prepared by Project Manager, Humaira Falkenberg discussing a settlement proposal prepared by mediator Judge Layn Phillips. Judge Phillips has asked public and IOU utilities to review the proposal and report back with any opposition. Commissioner Gale noted that WAPAG and NRU appear to have opposing views on the proposed settlement and made a **motion** that the District vote “no” on the terms of the settlement as outlined by WAPAG. Commissioner Leach **seconded**, and the motion was **carried unanimously**.

The Meeting entered Break at 10:30 a.m., reconvening in Regular Session at 10:35 a.m.

- **Bad Debt Expense-** Senior Accounting Clerk, Lisa Allen presented a list of customers with Bad Debt totaling \$1,500.96 to write-off and send for collection. Commissioner Leach made a **motion** to approve the bad debt write-offs. Commissioner Gale **seconded**, and the motion was **carried unanimously**.

ATTORNEY’S REPORT

- **Use of PUD Logo for Campaigns** – Woodrich reviewed conversations with Curt Young of the Washington Public Disclosure Committee regarding the use of the PUD logo for election campaigns. Young ruled that the PUD logo is public facility according to the PDC and should not be used for any campaign or election purposes. Esch noted that his response from the PDC referenced that only cards purchased by the District could not be used for campaign purposes.

COMMISSIONERS’ REPORT

- **Commissioner Gale-** Gale reported on his attendance of a WPUDA dues committee conference call to discuss a new dues structure with the recent departure of both Clark and Snohomish PUD. He noted the dues structure will be 50% based on the number of customers and 50% based on utility revenue. He also noted that Contributions in Aid of Construction should not be included as operating revenue. Iobst noted that a preliminary dues worksheet had been submitted to WAPUDA without Contributions in Aid

of Construction, and it would be classified as Capital Contributions in future financial reports and budgets.

VOUCHER APPROVAL

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

Voucher	Number	Amount
Electric System	45232-45302	\$ 371,703.34
Carson Water	5643-5650	\$ 4,963.82
Underwood Water	3360-3364	\$ 1,565.55

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

The Meeting Adjourned at 11:15 p.m.

Curt C. Esch, President

Clyde D. Leach, Secretary

The next regular scheduled Board of Commissioner's Meeting will be:
Tuesday, September 7th, 2010 at 9:00 a.m.