

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

September 7th, 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; Public Members, Betty Daubenspeck, Liz Green.

MINUTES

Commissioner Gale made a **motion** to approve corrected Minutes of the August 16th, 2010 Regular Commissioner Meeting. Commissioner Leach **seconded** the motion, and the motion was **approved** by a 3-0 vote.

OLD BUSINESS

- **Requested Change to the Health Care Plan-** Wittenberg discussed the recommendation from the District's Health Insurance Committee for amending language regarding coverage for disabled dependants. The Board, Staff and Public discussed the existing coverage for disabled dependants and the Board proposed language to make the District's insurance secondary to Medicare for disabled dependants. Woodrich drafted language, and Wittenberg sent the proposed language to Dick Rodruck at PURMS for his review.

The Board will continue discussion once Rodruck responds to the proposed language.

The Meeting recessed for Break at 10:20 a.m., reconvening in regular Session at 10:25 a.m.

NEW BUSINESS

- **2011Budget, First Draft Presentation-** Iobst presented the First Draft of the 2011Budget, noting the timeline for adopting the Budget at the October 4th Meeting. He noted he will present further analysis on healthcare costs for the Second Draft presentation at the September 20th Meeting. Gale took exception to the calculation used for purchased power which used the median usage while a median calculation was not used for calculating revenue. Wittenberg proposed moving the Water Crew to full time to assist with capital improvement projects and then hire a part-time Mechanic to fill the hours previously worked by

the split crew. Iobst proposed a half time office position to replace hours previously worked by a summer helper and to add additional staffing in the front office.

Public Member Liz Green cautioned the Board about adding staffing or wage increases, and Wittenberg presented a list of rates for PUDs, noting the District was among the lowest on the list.

The Meeting recessed for Lunch at 1:30 p.m., reconvening in Regular Session at 2:15 p.m.

Board and Staff discussed rates and options to offset the BPA rate increase in October, 2011. Supplementing the Budget with funds from the Rate Stabilization Fund and rate increases were discussed.

Iobst will revise the 2011 Budget to reflect proposed changes and present a Second Draft at the September 20th, Meeting.

- **Requested change to Health Care Plan, cont.-** Wittenberg presented Rodruck's response to the proposed language changes to the Health Insurance Plan for disabled dependants;

“Coverage of any Dependent child of an Insured shall be terminated by the child's attaining the relevant limiting age (19 or 24) unless the child continues to be Disabled. After the limiting age, a disabled dependent may only receive coverage secondary to the coverage allowed by governmental medical programs. Proof of disability must be furnished annually.”

Board and Staff discussed the responsibility to determine eligibility in the future. Iobst and Woodrich voiced HIPPA concerns with the District's involvement in determining eligibility, noting that PURMS was experienced and compliant with HIPPA standards and should therefore determine eligibility.

Commissioner Leach made a **motion** to adopt the proposed language to the District's Health Care Plan. Commissioner Gale seconded, and the motion was **carried unanimously** by a 3-0 vote.

Public Member Betty Daubenspeck requested to be on record as opposing the Commissioners' vote.

- **Port of Skamania County Request-** The Board reviewed the Port's proposal to waive all line extension fees, except materials, for the Cascade Business Park. Woodrich advised that a motion was sufficient to waive the fees, and an inter-local agreement would not be necessary. Commissioner Gale made a **motion** to charge the Port of Skamania County only for materials for the Cascade Business Park line extension. Commissioner Leach **seconded**, and the motion was **carried unanimously** by a 3-0 vote.
- **Resolution # 2347, 2005 Construction Fund Transfer-** Iobst presented Resolution #2347 to transfer \$241,394.86 from the Electric 2005 Construction Fund to the Electric General Fund for costs related to substation improvements from January 2010 through August 2010, as illustrated on Schedule “A.” Commissioner Leach made a **motion** to approve Resolution #2347. Commissioner Gale **seconded**, and the motion was **carried unanimously** by a 3-0 vote.

- **CFL Direct Mail Project-** Wittenberg reviewed correspondence with Autocell Corporation regarding the CFL Direct Mail contract. Autocell failed to provide a bid bond and was disqualified during the bidding process.

ATTORNEY’S REPORT

- **SDS Wind Project, FSEC Hearing** – Woodrich noted he was unable to provide testimony at the FSEC hearing due to him not being properly notified of the hearing. He will be added to email notifications and present testimony at future hearings.

COMMISSIONERS’ REPORT

- **WAPUDA Meeting-** Gale reported on his attendance of a WPUA Dues Committee conference call to discuss a new dues structure. He reported the District’s dues could increase slightly with the proposed dues structures to account for lost revenue with the departure of Clark PUD. The Dues Committee made a motion to present a 10% cap to increases as an alternative to the proposed dues schedules. The determination of dues will be decided at the next Dues Committee Meeting.
- **Commissioner Leach -** Leach requested a report of the cost to the District for the Whistleblower investigation. He also requested that Management Consultant fees be added to the 2011 Budget and would like further discussion regarding the taking of minutes at Meetings. He recommended that the District hire a transcriber to produce minutes from recordings to give a more detailed and accurate account of conversations at Meetings.

VOUCHER APPROVAL

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

Voucher	Number	Amount
Electric System	45303-45376	\$ 571,660.94
Carson Water	5651-5660	\$ 8,033.46
Underwood Water	3365-3371	\$ 34,932.58

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

The Meeting Adjourned at 4:15 p.m.

Curt C. Esch, President

Clyde D. Leach, Secretary

The next regular scheduled Board of Commissioner's Meeting will be:
Monday, September 20th, 2010 at 9:00 a.m.