

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

November 15th, 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; Project Manager, Humaira Falkenberg; Accountant, Salvie Stevens; WO/HR Coordinator, Shonna Taylor; Attorney, Ken Woodrich; Public Members, Susan Krug, Betty Daubenspeck, Liz Green, and Diane Green.

MINUTES

Commissioner Leach made a **motion** to approve Minutes of the November 1, 2010 as corrected. Commissioner Gale **seconded** the motion, and the motion was **approved** unanimously.

Commissioner Gale requested that we add two items to the agenda.

1. PURMS regarding the authorizing resolution. It was discussed briefly and the resolution is not out yet.
2. WPUDA Budget and Dues Calculation.

OLD BUSINESS

- **Betty Smith Insurance Claim** – Betty Smith provided staff with two separate estimates for repair to her vehicle, an estimate from Scenic Auto Body for \$949.73 and from Tim’s Automotive for \$267.50 for the mechanical portion of the damage, with a combined total of \$1,217.23. After review, Commissioner Leach would like to see another estimate and Commissioner Gale agreed. Commissioner Esch requested we get another estimate.

The Public Rate Increase Hearing for the Electric System opened at 9:30 a.m.

Commissioner Leach made a **motion** to remove the “BPA Adjustment” line item on the billing, and combine this charge with the Energy Charge to include the 3% rate increase. Commissioner Gale **seconded** the motion, and the motion was **approved** unanimously.

There was discussion on the demand charge. Commissioner Gale inquired if both the regular BPA bill and transmission bill included demand. Manager Wittenberg reported that demand is charged on both.

Public Member, Diane Green, wondered when the last cost of service study had been done. Manager Wittenberg reported, December 2001 by D. Hittle & Associates.

The Public Rate Increase Hearing for the Carson Water System opened at 10:00 a.m.

Commissioner Leach wanted to know how much revenue is needed for the improvements in the 6-year update. Commissioner Esch discussed bonding to pay for the new Carson reservoir. Commissioner Gale reported that the water system has to be sound financially before bonding would be available for projects.

Break at 10:30 a.m.

Meeting reconvened at 10:40 a.m.

Closed public hearing at 10:45 a.m.

It was the decision of the Board to continue the Carson Water Rate Hearing until December 20, 2010 at 10:00 a.m. The public hearing will be advertised.

OLD BUSINESS CONTINUED

- **Whistleblower Claim** – Commissioner Esch discussed the Whistleblower issue. After an opinion from an outside attorney, Commissioner Esch feels the claim should be modified, accepted or rejected.

Attorney Woodrich stated our policy is consistent with the RCW's and our policy nor the RCW's call for that. Woodrich explained the purpose of a third party opinion was for more objectivity. The RCW's do not say an outside party has to be used.

The Board entered into **Executive Session** to discuss the performance of a public employee at 11:10 a.m. for ten minutes. **Executive Session** ended at 11:20 a.m.

Commissioner Esch wants the Whistleblower Claim accepted or rejected.

Commissioner Leach does not want to spend another dime. \$10,600 has been billed to insurance company for the outside investigation.

Attorney Woodrich cautioned possible repercussions, that the Whistleblower claim has been investigated; the Commissioners had the right to object and did.

Commissioner Esch disagrees, it needs to be dealt with, accepted or rejected.

Commissioner Gale made a **motion** to accept the report with addendum of 2 rebuttals from Commissioner Gale and Commissioner Esch attached. Commissioner Esch stepped down to **second** motion. All 3 in favor.

- **Rory Miller Contract** – Commissioner Leach expressed that he opposed the contract purposed by Mr. Miller.

Manager Wittenberg stated that staff recommends not hiring Mr. Miller according to this contract.

Commissioner Gale and Commissioner Esch both agreed.

Entered into **Executive Session** at 11:55 a.m. for 10 minutes to consider possible litigation.

Break at 12:05 p.m. for lunch.

Meeting reconvened at 1:15 p.m.

- **Absence of Auditor** – Manager Wittenberg presented a summary listing of the duties and responsibilities of the Auditor and his recommendation to use the present staff to fill the gap and discussed the possibility of hiring a half time person.

Commissioner Esch expressed his concern about union issues in the temporary situation. Wittenberg will meet with the shop steward to discuss.

Commissioner Leach expressed the manager should have the power to make the decision on staffing and proposed work delegations.

NEW BUSINESS

- **Bad Debts** - Senior Accounting Clerk, Lisa Allen and Accounting Clerk, Kelly Tennison presented a listing of Bad Debt Write Offs in the amount of \$2,035.23. After discussion, Commissioner Gale made a **motion** to approve the Bad Debt Write Offs Resolution #2349; this motion was **seconded** by Commissioner Leach and **approved unanimously**.
- **Property Tax Levy** – Manager Wittenberg presented Resolution No. 2350 regarding the property tax levy as determined by Gabe Spencer, County Assessor. Commissioner Leach made a **motion** to approve Resolution No. 2350 and Commissioner Gale **seconded** the motion. This motion passed 2 to 1.
- **Rate Increase Electric System** – Manager Wittenberg presented Resolution No. 2351 to increase electrical rates 3% to recover costs of operation as referred to in Schedule “A” attached to Resolution No. 2351. Commissioner Leach made a **motion** to approve Resolution No. 2351, and the motion was **seconded** by Commissioner Gale and **approved unanimously**.
- **WPUDA Draft Dues** – Commissioner Gale presented the 2011 Draft Dues Calculation for the Washington PUD Association and review of the budget and changes. Voting for this will take place on November 19, 2010 and Commissioner Gale will vote yes.

INVESTMENTS

No investments.

MANAGER’S REPORT

Manager Wittenberg reported concerns from Efficiency Services Group (ESG).

Efficiency Services has sent a letter to Mark Hughey regarding failed inspections and ESG has the right to remove a PTCS certification from the registry and the contractor will no longer be able to apply for utility rebates until the re-application process.

ESG expressed concerns of receiving an email from Commissioner Esch.

Commissioner Esch explained that he wanted to know the procedure for inspection of modular homes.

Manager Wittenberg presented a letter from customer, John and Shirley Tyler of Underwood, complimenting our Tree Foreman, Pat Hartley and his crew on the removal of challenging trees near their residence.

Wittenberg reviewed WECC.

Manager Wittenberg presented Resolution No. 2353, Adjusting the Compensation Benefits for the District Manager, for their review and discussion at the next meeting.

AUDITOR'S REPORT

Manager Wittenberg presented the Electric System financials and the Carson and Underwood Water System financials through September 30, 2010. After discussion and comment there were changes to be made by Accountant Salvie Stevens.

ATTORNEY'S REPORT

None.

COMMISSIONER'S REPORT

Commissioner Gale reported on the NRU meeting and the settlement agreement. Commissioner Gale expressed the importance of attending the next WPUA meeting

VOUCHER APPROVAL

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

Voucher	Number	Amount
Electric System	45604-45680	\$ 465,733.77
Carson Water	5686-5693	\$ 8,671.56
Underwood Water	3387-3390	\$ 3,291.79

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

Meeting adjourned at 4:40 p.m.

Curt C. Esch, President

Clyde D. Leach, Secretary

The next regular scheduled Board of Commissioner's Meeting will be:
Monday, December 6th, 2010 at 9:00 a.m.