

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

December 15, 2014

A regular meeting of the Board of Commissioners was called to order by President Clyde Leach at 9:00 a.m. at the PUD office in Carson, WA. The following persons were present: Commissioner Clyde Leach; Commissioner Curt Esch; Commissioner Dennis Gale; General Manager Brent Bischoff; Auditor Jasen McEathron; Project Coordinator Melanie Sharp; and Attorney Ken Woodrich.

MINUTES:

- Commissioner Esch made a **motion** and Commissioner Gale **seconded** to approve the December 1, 2014 Regular Meeting minutes. **Motion passed unanimously.**

PUBLIC COMMENT:

- Liz Green commented on providing health care for retired Commissioners and Resolution 2476 – Investment Authority 2015.

OLD BUSINESS:

- **SAO Audit Exit Conference** – Tina Watkins, Audit Manager with the State Auditor’s Office, conducted the audit exit conference. Tina reported that the 2011-2013 Accountability audit and 2013 Financial Statement audit were clean with no findings or management letters and the final audit reports should be published the week of December 22. The next audit of the 2014 Financial Statements is scheduled for 2015.
- **Commissioner Healthcare Benefits** – Attorney Woodrich and the Commissioners discussed the legality of continuing health insurance for retiring Commissioners. Tina Watkins reported that the WA Attorney General’s Office researched the question and the Auditor’s Office would not consider it a violation of the RCW to provide the healthcare benefit.

DISCUSSION ITEMS:

- **Duggan Falls Water System**– Dave Stanton and CJ Hensen, with the Duggan Falls Water System (DFWS), presented an overview of their water system and discussed the option of the PUD assuming ownership and management of the water system. Manager Bischoff will be attending the DFWS general meeting on January 24 where this topic will be discussed by the membership.

There was a break at 10:35 a.m. for 5 minutes. The meeting resumed at 10:40 a.m.

OLD BUSINESS CONTINUED:

- **Commissioner Health Benefits Cont’d.** – After discussion, Commissioners Gale made a motion and Commissioner Leach stepped down and seconded to allow continued health insurance for Commissioners with more than ten (10) years of service.

There was a break at 11:15 a.m. for 20 minutes. The meeting resumed at 11:35 a.m.

After discussion, the motion was passed with two votes for (Commissioner Leach and Commissioner Gale) and **one vote against** (Commissioner Esch).

NEW BUSINESS:

- **Resolution No. 2478 – Healthcare Premium Rates 2015** - Auditor McEathron presented Resolution No. 2478 setting health care insurance premium rates for employees and retirees. The Commissioners requested Exhibit A of the Resolution include a statement that the Medicare rate is 75% of the Medical Only rates. After discussion, Commissioner Gale made a **motion** and Commissioner Esch **seconded** to approve Resolution No. 2478 as modified. **Motion passed unanimously.**

There was a one hour break for lunch at 12:20 p.m. The meeting resumed at 1:20 p.m.

- **Resolution No. 2472 – Equipment Reserve Fund Transfer** - Auditor McEathron presented Resolution No. 2472 authorizing the transfer of \$164,163.57 from the equipment replacement fund for the purchase of the new bucket truck #17. After discussion, Commissioner Esch made a **motion** and Commissioner Gale **seconded** to approve Resolution No. 2472. **Motion passed unanimously.**
- **Resolution No. 2473 – Electric Construction Reserve Fund Transfer**- Auditor McEathron presented Resolution No. 2473 transferring \$100,783.60 from the Electric Construction Fund to the Electric General Fund. After discussion, Commissioner Esch made a **motion** and Commissioner Gale **seconded** to approve Resolution No. 2473. **Motion passed unanimously.**
- **Resolution No. 2474 – Carson Water Construction Reserve Fund Transfer**- Auditor McEathron presented Resolution No. 2474 transferring \$33,024.99 from the Carson Water Construction Fund to the Carson Water General Fund for capital improvement expenses. After discussion, Commissioner Gale made a **motion** and Commissioner Esch **seconded** to approve Resolution No. 2474. **Motion passed unanimously.**
- **Feeder Sizing and Protection Evaluation PSC for New Large Cannabis Load– IEC Corp.-** Manager Bischoff presented the Professional Services Contract with IEC Corp. to provide engineering services to perform a distribution feeder capacity and protection study of the Washougal River feeder out of the Cape Horn substation. The study is required as part of the connection of a 750 kVA 3-phase transformer for a new commercial/industrial customer. After discussion, Commissioner Esch made a **motion** and Commissioner Gale **seconded** to approve the contract in the amount of \$4,969. **Motion passed unanimously.**
- **Resolution No. 2475 – Underwood Water Construction Reserve Fund Transfer** - Auditor McEathron presented Resolution No. 2475 transferring \$19,154.88 from the Underwood Water Construction Fund to the Underwood Water General Fund for capital improvement expenses. After discussion, Commissioner Esch made a **motion** and Commissioner Gale **seconded** to approve Resolution No. 2475. **Motion passed unanimously.**
- **Resolution No. 2476 – Investment Authority 2015**- Auditor McEathron presented Resolution No. 2476 authorizing personnel to make investment decisions on behalf of the district. After discussion,

Commissioner Esch made a **motion** and Commissioner Gale **seconded** to approve Resolution No. 2476. **Motion passed unanimously.**

- **Resolution No. 2477 – Close 2005 Bond Construction Funds** - Auditor McEathron presented Resolution No. 2477 authorizing the Skamania County Treasurer to close the Electric, Carson Water, and Underwood Water 2005 Bond Construction funds with zero (\$0.00) balances. After discussion, Commissioner Gale made a **motion** and Commissioner Esch **seconded** to approve Resolution No. 2477. **Motion passed unanimously.**
- **Skamania County EDC Contract – 2015** - Manager Bischoff presented the Annual Services Agreement contract with Skamania County EDC. After discussion, Commissioner Esch made a **motion** and Commissioner Gale **seconded** to approve the contract in the amount of \$5,000. **Motion passed unanimously.**
- **Industrial Reservoir Coating PSC - Murray, Smith & Associates, Inc.** - Manager Bischoff presented the Professional Services Contract with Murray, Smith & Associates, Inc. to provide engineering services for the industrial reservoir interior coating project. After discussion, Commissioner Esch made a **motion** and Commissioner Gale **seconded** to approve the contract in the amount of \$18,399. **Motion passed unanimously.**
- **Schoolhouse PRV Replacement PSC - Murray, Smith & Associates, Inc.** - Manager Bischoff presented the Professional Services Contract with Murray, Smith & Associates, Inc. to provide engineering services for the Schoolhouse Road PRV replacement project. After discussion, the Commissioners requested additional information on combining scopes with the future Sheperd Pump Station project.
- **Confined Space Evaluation PSC – Cascade Training Group**- Manager Bischoff presented the Professional Services Contract with Cascade Training Group to complete a confined space evaluation and training. After discussion, Commissioner Esch made a **motion** and Commissioner Gale **seconded** to approve the contract in the amount of \$3,625. **Motion passed unanimously.**

CADD Internship–Manager Bischoff proposed establishing a temporary CADD internship to help complete assembly drawings of the electrical system. Commissioner Esch made a **motion** and Commissioner Gale **seconded** to approve the temporary CADD internship. **Motion passed unanimously.**

DISCUSSION ITEMS:

- **NWPPA Board Nomination**- Manager Bischoff discussed for the opportunity to submit a nomination for the NWPPA Board of Trustees.

MANAGER’S REPORT:

- **November 2014 Outage Report** – Manager Bischoff presented the November 2014 outage report.
- **Vehicle Safety**– Manager Bischoff reported on a safety related incident that occurred in November. The rear dual wheels on one side of the PUD service truck separated from the vehicle while travelling on Highway 14. No injuries resulted and minimal equipment damage occurred. Action is being taken to prevent future recurrence.

- **New Bucket Truck #17**– Manager Bischoff discussed repairs and fine tuning that are being done on the new line crew bucket truck #17.
- **Carson Groundwater Study** - Manager Bischoff gave an update on the status of the Carson Groundwater Study.
- **Carson Reservoir Siting Study**– Manager Bischoff reported that the Carson Reservoir Siting Study is ongoing and a new preferred site location has been identified within the study area.
- **URD Cable Replacement Projects**– Manager Bischoff reported the status of the URD cable replacement projects.
- **Underwood Fire Damaged Trees** – Manager Bischoff reported that the PUD will be pursuing an emergency NSA permit to remove the fire damaged trees.

AUDITOR’S REPORT:

- **Bad Debts** – Auditor McEathron presented Bad Debts of \$147.10. After discussion, Commissioner Esch made a **motion** and Commissioner Gale **seconded** to approve Bad Debts in the amount of \$147.10. **Motion passed unanimously.**
- **BPA Energy Efficiency Incentives** – Auditor McEathron reported that the PUD has received an additional \$11,437.09 from BPA for energy efficiency incentives and recommended that this money be used to incentivize the WKO compressed air project. After discussion, Commissioner Esch made a **motion** and Commissioner Gale **seconded** to allocate the new unassigned money of \$11,437.09 to the WKO project. **Motion passed unanimously.**
- **Third Quarter 2014 Financials** - Auditor McEathron presented the 2014 3rd Quarter Financial Report.

COMMISSIONERS REPORT:

- Commissioner Gale reported on his attendance at the annual WPUDA meeting.

CALENDAR:

- Commissioner Elect Green Swearing In is scheduled for January 5, 2015.
- The PPC Meeting is scheduled for January 8, 2015.
- The WPUDA Meetings are scheduled for January 14-16, 2015.

VOUCHER APPROVAL:

Commissioner Gale made a **motion** and Commissioner Esch **seconded** to approve the vouchers audited and certified as required by RCW 42.24.080 and RCW 42.24.090. **Motion passed unanimously.**

Voucher	Number	Amount
Electric System	51282-51291	\$158,391.46
Electric System	51324-51392	\$698,785.33
Carson Water	6399-6411	\$5,779.42
Underwood Water	3760-3762	\$413.32

ATTORNEY’S REPORT:

The Board entered into Executive Session at 4:00 p.m. to discuss Employee Performance in accordance with RCW 42.30.110(1)(g) for a duration of 10 minutes. Commissioner Leach, Commissioner Gale, Commissioner Esch, and Manager Bischoff were in attendance. Executive session was extended 10 minutes. Executive session ended at 4:20 p.m.

Commissioner Gale made a **motion** and Commissioner Esch **seconded** to approve a 3.25% salary increase for Manager Bischoff effective December 16th, 2014. **Motion passed unanimously.**

PUBLIC COMMENT:

- None.

Meeting adjourned at 4:30 p.m.

President

Secretary

The next regular scheduled Board of Commissioners’ Meeting will be
Monday, January 5, 2014 at 9:00 a.m.