

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

February 1, 2016

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 Dennis Gale; Commissioner Liz Green; General Manager Brent Bischoff; Auditor Jasen McEathron; and Project Coordinator Melanie Sharp. Attorney Ken Woodrich joined the meeting at 9:30 a.m. and left the meeting at 11:00 a.m.

MINUTES:

- Commissioner Green requested her report of attendance at the WPUDA meeting be included in the minutes. Commissioner Gale made a **motion** and Commissioner Green **seconded** to approve the January 18, 2016 Regular Meeting minutes as corrected. **Motion passed unanimously.**

PUBLIC COMMENT:

- None.

OLD BUSINESS:

- None.

NEW BUSINESS:

- **Resolution No. 2532 – Electric 2015 Bond Fund Transfer-** Auditor McEathron presented Resolution No. 2532. After discussion, Commissioner Gale made a **motion** and Commissioner Green **seconded** to approve Resolution No. 2532 transferring \$508,815.11 from the Electric 2015 Bond Fund to the Electric General Fund. **Motion passed unanimously.**
- **Resolution No. 2533 – Surplus Truck & Other Equipment-** Auditor McEathron presented Resolution No. 2533. After discussion, Commissioner Gale made a **motion** and Commissioner Green **seconded** to approve Resolution No. 2533 declaring a 1997 Toyota truck and other equipment as surplus. **Motion passed unanimously.**
- **Resolution No. 2534 – Surplus Timber-** Manager Bischoff presented Resolution No. 2534 declaring timber on District parcel #03081800050100 surplus and excess to the needs of the District and directing staff to engage forest management services to fell timber, sell marketable timber and properly dispose of unmarketable vegetation remnants. The Board requested that staff further research export restrictions of the potential harvest.
- **NW River Partners PSC – 2016-** Manager Bischoff presented an invoice for 2016 Northwest River Partners membership dues and a summary of their accomplishments in the past 10 years. After discussion, Commissioner Gale made a **motion** and Commissioner Green **seconded** to approve 2016 membership dues in the amount of \$3,520. **Motion passed unanimously.**

- **Federal Tax Assistance PSC – Moss Adams (Ratification)**- Auditor McEathron presented for ratification the Professional Services Contracts with Moss Adams LLP to evaluate potential federal tax implications of non-travel meal allowances.

ATTORNEY’S REPORT:

The Board entered into Executive Session at 9:30 a.m. to discuss litigation per RCW 42.30.110(1)(i) for a duration of 30 minutes. Commissioner Green, Commissioner Gale, Manager Bischoff, Auditor McEathron, Attorney Woodrich, and Attorney Ramsey Ramerman via phone were in attendance. Commissioner Esch recused himself from the Executive Session. Executive Session ended at 9:50 a.m. There was no action taken in Executive Session.

NEW BUSINESS CONTINUED:

- **Federal Tax Assistance PSC – Moss Adams (Ratification) Continued**- After discussion, Commissioner Gale made a **motion** and Commissioner Green **seconded** to ratify the contract with Moss Adams in an amount not to exceed \$5,000. **Motion passed unanimously.**

ATTORNEY’S REPORT:

Attorney Woodrich reported that he contacted Municipal Research and they indicated that the doctrine of necessity can be invoked when an agency has no other option available to move forward due to a conflict position and cannot take a necessary action. Commissioner Esch reported that his research indicates that the doctrine of necessity does not apply to the PUD and RCW 54.

Attorney Woodrich and the Board discussed the roles of the Board and staff and how the Separation of Powers Act does or does not apply to the PUD.

The Board entered into Executive Session at 10:10 a.m. to discuss litigation per RCW 42.30.110(1)(i) for a duration of 10 minutes. Commissioner Green, Commissioner Gale, Manager Bischoff, Auditor McEathron, and Attorney Woodrich were in attendance. Commissioner Esch recused himself from the Executive Session. Executive Session ended at 10:20 a.m. There was no action taken in Executive Session. Commissioner Green provided clarification that comments made after coming out of a previous meetings executive session were about matters related to the Esch lawsuit and did not include any review of attorney performance in the executive session.

DISCUSSION ITEMS:

- **DWSRF Loan – New Carson Reservoir Project**– Manager Bischoff discussed the award of a low interest loan from the Drinking Water State Revolving Fund for the New Carson Reservoir Project. Auditor McEathron discussed the options of declining the loan or accepting the loan and using the bond proceeds for other capital improvements in the electric system or Underwood water system. The Board requested that staff identify some projects that could use the bond funding and research the impact to rates of assuming more debt in the other systems.

- **PUD Logo** – Manager Bischoff discussed the different logo color schemes used over the years for various purposes. The Board asked staff to research what the original logo was and if it was registered.
- **Inactive Accounts** – Manager Bischoff presented information on what other PUDs are doing in regards to inactive accounts. Commissioner Esch stepped down and made a **motion** and Commissioner Green **seconded** to direct staff to develop a water system policy to use for both the Carson and Underwood water systems. Manager Bischoff noted that the board is already in the final stage of updating the strategic plan, which includes policy development. Directing staff to accomplish one action priority by motion outside of strategic planning can circumvent setting action priorities in the context of the entire strategic plan. **Motion passed unanimously.**

MANAGER’S REPORT:

Manager Bischoff reported on the following items:

- Update of the Underwood substation rebuild project
- How other utilities deal with the time to get locates for underground outages.
- Removal of an additional dead tree that was damaged the previous year in the Underwood bluff fire
- Carson test well grant
- Underwood water system agricultural irrigation demand and capital upgrade evaluation

AUDITOR’S REPORT:

- **Fund Balance Report** - Auditor McEathron presented the December 2015 Fund Balance Report.
- **2015 BPA Energy Costs** - Auditor McEathron presented the Power Cost Report for 2015.

COMMISSIONER’S REPORT:

- Commissioner Green reported on her attendance at the Energy Northwest meeting including a discussion regarding receipt of an anonymous letter that Energy Northwest is treating as a whistleblower complaint. Commissioner Green also reported she was invited to participate in the WPUDA water workshop planning committee and asked if the PUD wanted to invite WPUDA to have a meeting in Skamania County. Commissioner Gale made a **motion** and Commissioner Esch stepped down and **seconded** to invite WPUDA to have a meeting in Skamania County. **Motion passed unanimously.**

The Commissioners would like an exempt meeting prior to the next Board Meeting with staff to discuss union negotiations.

- **PERS participation for Commissioners** – Auditor McEathron presented a guidance document that discusses the steps necessary to allow PUD Commissioners to participate in PERS. The Commissioners need to establish the number of service hours per month that a Commissioner earns and decide whether the PUD will elect to pay the required employer contributions and interest for past service credit. The Board requested staff research with legal counsel the process of the District paying for past service credit.

Commissioner Esch requested that the Board reconsider the previous Board motion addressing health insurance for retired PUD Commissioners. Staff will add that as an agenda item in an upcoming meeting.

CALENDAR:

- PPC Meeting February 4, 2016
- WPAG Meeting February 19, 2016
- WPUA Meetings February 24-26, 2016

VOUCHER APPROVAL:

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

Voucher	Numbers	Amount
Electric	53013-53060	\$267,930.54
Carson Water	6611-6615	\$28,612.36
Underwood Water	3862-3866	\$5,753.42

PUBLIC COMMENT:

- Diane Green commented on inactive accounts in the water systems, the need to develop water system policies, and staying consistent with the PUD logo.

There was a 5-minute break at 12:30 p.m. The meeting resumed at 12:35 p.m.

ATTORNEY’S REPORT:

The Board entered into Executive Session at 12:35 p.m. to discuss Employee Performance per RCW 42.30.110(1)(g) for a duration of 30 minutes. Commissioner Esch, Commissioner Green, Commissioner Gale, and Manager Bischoff were in attendance. Executive Session was extended 40 minutes and ended at 1:45 p.m. There was no action taken in Executive Session.

After discussion, Commissioner Gale made a **motion** and Commissioner Green **seconded** to increase Manager Bischoff’s current salary of \$144,282 by 1% effective February 1, 2016. **Motion passed unanimously.** Manager Bischoff is to present a resolution ratifying the salary adjustment at the next board meeting on February 16th.

Meeting adjourned at 1:52 p.m.

Curt Esch, President

Liz Green, Secretary

The next regular scheduled Board of Commissioners’ Meeting will be
Tuesday, February 16, 2016 at 9:00 a.m.