

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

June 20, 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; Project Coordinator Melanie Sharp; and Attorney Ken Woodrich.

MINUTES:

- Commissioner Green requested that the Attorney's Report section of the minutes be corrected to add that the attorney was told to proceed as directed. Commissioner Gale made a **motion** and Commissioner Green **seconded** to approve the June 6, 2016 Regular Meeting minutes as corrected. **Motion passed unanimously.**

PUBLIC COMMENT:

- Gene Caudill complimented the PUD on how they communicated and worked with him when he expressed concern about how PUD crews and contractors accessed his property.

OLD BUSINESS:

- **MSA, Inc. Report - Duggan Falls Water System Feasibility Study**– Kyle Thompson with Murray, Smith, & Associates, Inc. presented the results of the Duggan Falls Water System feasibility study.

ATTORNEY'S REPORT:

The Board entered into Executive Session at 9:50 a.m. to discuss litigation per RCW 42.30.110(1)(i) for a duration of 60 minutes. Commissioner Esch, Commissioner Green, Commissioner Gale, Manager Bischoff, Attorney Woodrich, and Attorney Terry Mundorf of Marsh Mundorf Pratt Sullivan & McKenzie were in attendance. Executive Session ended at 10:50 a.m. No action was taken in Executive Session.

There was a seven-minute break at 10:50 a.m. and the meeting resumed at 10:57 a.m.

NEW BUSINESS:

- **Settlement Agreement with Dept. of Justice – regarding the BPA low density discount** – Manager Bischoff discussed the history of the BPA low density discount program. Attorney Mundoff discussed the settlement agreement with the Department of Justice and the extended payment agreement with BPA regarding the BPA low density discount. After discussion Commissioner Green made a **motion** and Commissioner Gale **seconded** to authorize the Manager and Attorney Mundorf to sign the settlement agreement with the Department of Justice in the amount of \$862,203.03. **Motion passed unanimously.**
- **Settlement Agreement with BPA – regarding the BPA low density discount** - Commissioner Gale made a **motion** and Commissioner Green **seconded** to authorize the Manager to sign the extended payment agreement with BPA in the amount of \$180,217. **Motion passed unanimously.**

- **Resolution No. 2543 – Electric Construction Fund Transfer for Payment of DOJ Settlement** - Manager Bischoff presented Resolution No. 2543 assigning tax revenue to the U.S. Department of Justice settlement payment. After discussion Commissioner Gale made a **motion** and Commissioner Green **seconded** to adopt Resolution No. 2543 transferring \$862,203.03 from the Electric Construction Fund to the Electric General Fund for payment in full of the Settlement Agreement between the District and the U.S. Department of Justice. **Motion passed unanimously.**

ATTORNEY’S REPORT:

The Board entered into Executive Session at 11:17 a.m. to discuss litigation per RCW 42.30.110(1)(i) for a duration of 10 minutes. Commissioner Green, Commissioner Gale, Manager Bischoff, and Attorney Woodrich were in attendance. Commissioner Esch recused himself from Executive Session. Executive Session ended at 11:27 a.m. No action was taken in Executive Session.

DISCUSSION ITEMS:

- **Manager of Finance and Administration Hiring** – The Commissioners and General Manager discussed the roles of the General Manager and Board in the hiring of a new Manager of Finance and Administration. The Board chose Commissioner Green to attend candidate interviews during the screening process.
- **Commissioner Indemnification Expenses** – Manager Bischoff discussed expense authorization and reimbursement for Commissioner’s private legal counsel related to indemnification. Commissioner Green made a motion and Commissioner Gale seconded to ratify reimbursement to Commissioner Esch for attorney fees totaling \$6,888.50 as well as approving Manager Bischoff to bring forward any future Commissioner legal services invoices for ratification. **Motion passed with two votes for (Commissioners Gale and Green), and one abstention (Commissioner Esch).** Commissioner Esch said when the PRA litigation is resolved he will provide invoices without redactions.

MANAGER’S REPORT:

Manager Bischoff reported on the following items:

- May outage report
- Cape Horn substation fault
- Support of the WKO mill expansion project
- Underwood substation fencing project
- Home solar projects
- Carson reservoir site logging
- Carson test well permitting
- Off-boarding of the former Manager of Finance and Administration
- He will phone in to the July 5 meeting

AUDITOR’S REPORT:

- None.

COMMISSIONER’S REPORT:

- Commissioner Gale reported on attendance at the PURMS Meeting.
- Commissioner Green discussed a call from an Underwood water customer who was grateful for PUD assistance with a leak at her house.

CALENDAR:

- WPUDA Water Committee Meeting June 23, 2016
- WPAG Meeting June 30, 2016
- PPC Meeting July 7, 2016
- WPUDA Meetings July 13-15, 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 for Electric \$266,522.53, Carson Water \$3,799.78 and Underwood Water \$2,606.20. **Motion passed unanimously.**

Commissioner Gale made a **motion** and Commissioner Green **seconded** to approve legal costs voucher #53548, and 53554 for \$185.00, audited and certified as required by RCW 42.24.080 and RCW 42.24.090. **Motion passed with two votes for (Commissioners Gale and Green) and one abstention (Commissioner Esch).**

Voucher	Numbers	Amount
Electric	53518-53547 53549-53553 53555-53570	\$266,522.53
Electric – Legal Costs	53548, 53554	\$185.00
Carson Water	6666-6669	\$3,799.78
Underwood Water	3902-3904	\$2,606.20

PUBLIC COMMENT:

- None.

Meeting adjourned at 1:08 p.m.

Curt Esch, President

Liz Green, Secretary

The next regular scheduled Board of Commissioners’ Meeting will be
Tuesday, July 5, 2016 at 9:00 a.m.