

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

March 7, 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 and Attorney Ken Woodrich.

MINUTES:

- Commissioner Esch requested that the minutes be corrected to reflect that he made a motion to hire an outside attorney to review the Public Records Act lawsuit. Commissioner Gale made a **motion** and Commissioner Green **seconded** to approve the February 16, 2016 Regular Meeting minutes as amended. **Motion passed unanimously.**

PUBLIC COMMENT:

- Diane Green asked for clarification regarding a statement in the minutes that no action was taken and staff were instructed to proceed as discussed.

OLD BUSINESS:

- Commissioner Esch stepped down and made a motion that the PUD seek a 2nd opinion regarding all details involving the current Public Records Act lawsuit from Michele Earl-Hubbard of Allied Law Group under the following directives:
 - This will be a limited attorney-client relationship with Ms. Earl-Hubbard solely for the purpose of acquiring a 2nd opinion. It will be a relatively short term, hopefully limited at 6 weeks. It will be solely and fully directed by the Commission.
 - Ms. Earl-Hubbard will be provided with all of the filings for the Summary Judgement and the current Appeal; in addition to any documents and/or assistance that she requests.
 - Ms. Earl-Hubbard will interview current PUD counsel Ramsey Rammerman and Ken Woodrich, along with Commissioner Gale, Commissioner Green and her attorney, Commissioner Esch and his attorney, and the Plaintiff and her attorney.
 - Ms. Earl-Hubbard will provide the PUD Commission a written report and make herself available for an executive session in which she can discuss any questions regarding the report.Commissioner Green seconded the motion. **Following discussion, the motion passed with two votes for (Commissioners Esch and Green) and one against (Commissioner Gale).**

NEW BUSINESS:

- **WA Dept. of Ecology Grant Agreement – Carson Water Test Well** - Manager Bischoff presented a grant agreement with the Washington State Department of Ecology (Ecology) for \$116,600 to complete Phase 2 of the WRIA 29A Carson Groundwater Source Development project, which includes installing and monitoring a test well and completing a test well report.

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 60 minutes. Commissioner Esch, Commissioner Green, Commissioner Gale, Manager Bischoff, Auditor McEathron, Attorney Woodrich, and Attorney Terry Mundorf via phone were in attendance. Attorney Mundorf left the executive session at 10:00 a.m. Commissioner Esch recused himself from the Executive Session at 10:10, and Attorney Ramsey Ramerman joined the executive session via phone. Executive Session ended at 10:35 a.m. There was no action taken in Executive Session.

There was a 5-minute break at 10:35 a.m. The meeting resumed at 10:40 a.m.

NEW BUSINESS CONTINUED:

- **WA Dept. of Ecology Grant Agreement – Carson Water Test Well Continued-** After discussion, Commissioner Gale made a **motion** and Commissioner Green **seconded** to authorize Manager Bischoff to enter into the grant agreement with Ecology for \$116,600. **Motion passed unanimously.**
- **Leak Detection PSC – Utility Services Associates-** Manager Bischoff presented a Professional Services Contract with Utility Services Associates to provide Leak Detection Services. After discussion, Commissioner Gale made a **motion** and Commissioner Green **seconded** to authorize the manager to sign the 3-year contract with Utility Services Associates based upon the fees referenced in Exhibit A of the contract. **Motion passed unanimously.**

The Board excused Attorney Woodrich at 11:05 a.m.

DISCUSSION ITEMS:

- **Windy River Research LLC**– Manager Bischoff discussed the Windy River Research cannabis project to be developed at the Wind River Business Park. He gave an overview of electric system limitations and potential upgrades required to service the new load. Manager Bischoff also gave an overview an expansion project planned by the WKO mill and how it too will impact system constrains on the Stevenson/Stabler and Carson distribution circuits. Staff will research and provide cost estimates of upgrading the system to support the increased loads.
- **Underwood Water System Irrigation Demand**– Manager Bischoff presented a report from Murray Smith & Associates regarding the Underwood water system irrigation demands and system improvements that could help serve this emerging demand. Staff has received two quotes to perform a Cost of Service Analysis of the system. Some policy decisions will have to be made to provide input to the COSA. Staff will research the policy questions and seek the related experience of other water purveyors in the PUD community to assist with policy development.

MANAGER'S REPORT:

Manager Bischoff reported on the following items:

- New Carson Reservoir geotechnical work, foundation design, and slope analysis. Additional engineering analysis will be needed to design a retaining wall.

- Completion of the Underwood substation upgrade project except for minor fencing improvements. A change order for the construction work will be brought to a future board meeting for approval by the Commissioners.
- 2015 Outage Report

AUDITOR’S REPORT:

- **2015 BPA Power Costs – Revised**- Auditor McEathron discussed the BPA under-billing and presented the revised Power Cost Report for 2015. The Commissioners directed staff to pursue a contract with BPA to repay the \$128,922 under-billing over a 90 day period with 0% interest.
- **2016 Forecast Power Costs** – Auditor McEathron reported the District is expecting a reduced Low Density Discount from BPA as a result of new information on line miles provided by the GIS Mapping Project. The reduced discount is expected to result in higher power costs of approximately \$76,000 in calendar year 2016.

COMMISSIONER’S REPORT:

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

CALENDAR:

- WPUDA Meetings March 16-18, 2016
- WPAG Meeting March 24, 2016
- PPC Meeting April 7, 2016

VOUCHER APPROVAL:

Commissioner Esch asked for the attorney fees associated with the Sherry Esch vs. PUD No. 1 of Skamania County and Clyde Leach lawsuit to be approved separately from the rest of the vouchers.

There was a one hour lunch break at 1:15 p.m. The meeting resumed at 2:15 p.m.

The Board entered into Executive Session at 2:17 p.m. to discuss litigation per RCW 42.30.110(1)(i) for a duration of 5 minutes. Commissioner Green, Commissioner Gale, Manager Bischoff, Auditor McEathron, and Attorney Ramsey Ramerman via phone were in attendance. Commissioner Esch recused himself from the Executive Session. Executive Session was extended 10 minutes and ended at 2:32 p.m. There was no action taken in Executive Session.

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, less legal service costs as follows: voucher #53147 for \$2,666.66, voucher #53158 for \$1,056, voucher #53166 for \$5,199.68, and voucher #53175 for \$8,475.00. **Motion passed unanimously.**

Commissioner Gale made a **motion** and Commissioner Green **seconded** to approve legal service voucher #53147 for \$2,666.66, voucher #53158 for \$1,056, voucher #53166 for \$5,199.68, and voucher #53175 for \$8,475.00, 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	53117-53191	\$1,061,063.15
Carson Water	6622-6631	\$22,450.83
Underwood Water	3870-3876	\$10,503.88

PUBLIC COMMENT:

- None

Meeting adjourned at 2:35 p.m.

Curt Esch, President

Liz Green, Secretary

The next regular scheduled Board of Commissioners' Meeting will be
Monday, March 21, 2016 at 9:00 a.m.