

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

November 3, 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:

- The Commissioners requested that the draft meeting minutes of October 20th be revised to state that the PUD is in opposition to State carbon policies that may negatively impact the utility industry. Commissioner Gale made a **motion** and Commissioner Esch **seconded** to approve the October 20, 2014 Regular Meeting minutes as revised. **Motion passed unanimously.**

PUBLIC COMMENT:

- Liz Green commented on the status of Skamania County finances and suggested that the PUD should consider this when making decisions. She also commented that the PUD should encourage new business within the county.
- Diane Green commented on the effect of Skamania County financing on PUD budgeting.

OLD BUSINESS:

- **Electric COSA Final Report** – Steve Anderson with EES Consulting presented the final electric COSA results. The Board discussed the COSA results, however no action was taken regarding electric rates.

DISCUSSION ITEMS:

- **WA SAO Audit Entrance Conference**- Tina Watkins, the State Auditor’s Office Audit Manager, conducted the audit entrance conference. The State Auditors will be conducting an accountability audit for the fiscal years 2011-2013 and a financial statement audit for the fiscal year 2013. The audit will take approximately 2 weeks.
- **WPUDA Budget** – Commissioner Gale discussed the proposed 2015 WPUDA budget. The Commissioners have questions about the dues calculation, cash reserves, and building fund. Commissioner Gale will seek clarification before the Commissioners decide whether to support the budget.

NEW BUSINESS:

- **Resolution No. 2470 – Surplus Transformers**– Auditor McEathron presented Resolution No. 2470 authorizing the disposal of surplus transformers. Attorney Woodrich suggested that the last line of the resolution be revised to state that that the items are authorized for sale or disposal at scrap value or

through a bid process. After discussion, Commissioner Esch made a **motion** and Commissioner Gale **seconded** to approve Resolution No. 2470 as revised. **Motion passed unanimously.**

- **BLX Group LLC PSC – Arbitrage Rebate Compliance Services (Ratification)** – Auditor McEathron presented the Professional Services Contract with BLX Group LLC to provide arbitrage rebate compliance services for the 2005 bond issue. After discussion, Commissioner Gale made a **motion** and Commissioner Esch **seconded** to ratify the contract in the amount of \$3,250. **Motion passed unanimously.**
- **Accident Liability** – Commissioner Leach questioned the PUD’s liability associated with pole placement along roadways. Attorney Woodrich discussed what would be considered reasonable responsibilities of a utility.

DISCUSSION ITEMS CONTINUED:

- **NW River Partners – 2014 Public Opinion Poll**- Manager Bischoff discussed the 2014 Northwest River Partners Public Opinion Poll.

ATTORNEY’S REPORT:

- None

MANAGER’S REPORT:

- **Underwood Fire** – Manager Bischoff reported on his conversations with homeowners affected by the Underwood fire and the possible solutions to help prevent future fires. The Commissioners directed staff to move forward with tree removal and consideration of undergrounding the line in coordination with future waterline replacement down the bluff.
- **Large Loads** – Manager Bischoff discussed large load policies of other PUDs in regards to marijuana grow operations. He discussed the status of marijuana grow operations within the Skamania PUD service area. The Commissioners directed staff to get input from Attorney Mundorf to help develop a new large load policy.
- **Klickitat PUD Fire Lawsuit** – Manager Bischoff reported that the lawsuit against Klickitat PUD is ongoing. A second claim against Klickitat PUD has recently been filed for another fire occurring approximately a year ago.
- **Pacific PUD Pole Attachment Lawsuit** – Manager Bischoff reported on the Pacific PUD pole attachment lawsuit.
- **Underwood Substation Bids** – Manager Bischoff reported on the status of the Underwood substation equipment bids.
- **ArcFlash Study** – Manager Bischoff reported that he will be presenting a Professional Services Contract at the next meeting to conduct an arc-flash study as required by OSHA rule 1910-269.

AUDITOR’S REPORT:

- **Fund Balance Report**– Auditor McEathron presented the fund balance report for October 2014.
- **PURMS Liability Assessment** - Auditor McEathron reported that PURMS will be billing assessments before year-end for the property and liability pools. Auditor McEathron also reported that PURMS is considering obtaining additional insurance to cover cyber security breaches.

CALENDAR:

- The PPC Meeting is scheduled for November 6, 2014.
- The PURMS Board Meeting is scheduled for November 6, 2014.
- The WPUDA Meetings are scheduled for November 19-21, 2014.

VOUCHER APPROVAL:

Commissioner Esch made a **motion** and Commissioner Gale **seconded** to approve as amended 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	51170-51216	\$486,576.54
Carson Water	6381-6386	\$14,111.95
Underwood Water	3755	\$36.37

PUBLIC COMMENT:

- Liz Green inquired about providing federal power to retail marijuana facilities.

The Commissioners directed staff to setup a workshop to discuss rates.

Meeting adjourned at 12:40 p.m.

Clyde Leach, President

Dennis Gale, Secretary

The next regular scheduled Board of Commissioners' Meeting will be
Monday, November 17, 2014 at 9:00 a.m.