

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

October 7, 2013

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 Curt Esch; Commissioner Dennis Gale; Commissioner Clyde Leach; General Manager Brent Bischoff; Auditor Jasen McEathron; HR Coordinator Shonna Taylor; and Attorney Ken Woodrich.

REVISED MINUTES:

- Auditor McEathron presented revised minutes for the July 1, 2013; July 15, 2013; August 5, 2013; and August 19, 2013. The Commission would like to defer this to another meeting and Auditor McEathron will provide a list of exactly what the revisions are.

MINUTES:

- Commissioner Gale made a **motion** and Commissioner Esch **seconded** to approve the September 16, 2013 minutes. **Motion passed unanimously.**

PUBLIC COMMENT:

- Liz Green - Spoke about the Auditor's salary raise, Executive Assistant proposed position, work order implementation, indemnification, and attorney fees.
- Sherry Esch – Commented on the proposed Resolution No. 2434, Indemnification for District Officials and Employees.
- Mary Repar – Inquired on the status of the strategic plan and would like the PUD to coordinate with other government organization; she specifically mentioned the City of Stevenson.

The Board entered into Executive Session at 9:15 a.m. to discuss Litigation per RCW 42.30.110(1)(i) for a duration of 30 minutes. Commissioner Esch recused himself from the meeting. Curt Esch joined Executive session at 9:45 a.m.

Extended 10 minutes.

Extended 5 minutes.

Curt Esch recused himself at 10:15 a.m. Executive Session extended 15 minutes to 10:30 a.m.

Meeting reconvened at 10:35 a.m.

ATTORNEY'S REPORT:

- **Wittenberg Litigation** – Attorney Woodrich reported that August 27, 2013 was the deadline to file an appeal. An appeal was not filed so this lawsuit is over.

OLD BUSINESS:

- **Resolution No. 2434 – District Official & Employee Indemnification** – The Board discussed the proposed resolution and applicable statutes. Commissioner Gale asked Attorney Woodrich to explain 54.12.110. Attorney Woodrich explained that this is the public duty doctrine that applies to state and local agencies. If performing public duty on behalf of government then the official or employee is immune from civil liability when performing in good faith and within the scope of authority. Commissioner Gale expressed his concern that a process has not been established for indemnification and feels that a firm resolution should be in place for commissioners and employees. He would be in favor of adopting with language included from RCW 54.16.097. Commissioner Leach expressed concern with #4, Pending Claims, of the Resolution and if this would apply to activity in the past. If so, he would vote against. There are RCW's in place that cover this and Commissioner Leach feels this procedure is burdensome. Commissioner Esch expressed concern that the procedure is burdensome and has reviewed PUD Resolution 870 and 920 and it is clear that the utility has authority to indemnify employees and does not feel the manager should have to be involved in the process. The Commission would like Attorney Woodrich to revise the resolution.

Break at 11:00 a.m.

Reconvened at 11:05 a.m.

Commissioner Leach has requested indemnification. The PUD Attorney, Ken Woodrich cannot continue to represent him independent of the agency and would like a third party attorney, initially, not to exceed \$15,000. Commissioner Leach stepped down and made a **motion** and Commissioner Gale **seconded** with further discussion to seek independent outside counsel. After lengthy discussion about this procedure the **motion** was **amended**. Commissioner Leach made a **motion** and Commissioner Gale **seconded** to seek independent outside counsel to represent Commissioner Leach subject to the agency proceeding under the reservation of rights to recover funds if the court later finds he was acting in bad faith or outside of the scope of authority according to RCW 54.16.097. **Motion passed unanimously.**

DISCUSSION ITEMS:

- **Executive Assistant**- Manager Bischoff presented information regarding the hiring of an Executive Assistant. It was decided to continue the discussion when reviewing the proposed 2014 Budget.

Break for lunch at noon.

Meeting reconvened at 12:55 p.m.

- **Mapping Project**- Manager Bischoff summarized the status of the mapping project and presented staff recommendations for moving forward with data collection and software purchase. The Commission thought we were going to be working together with the County. Brent Bischoff explained that the benefits of coordination with the county are minimal and that gathering the data is the most expensive component of the project. The PUD requires utility specific software that the county does not have.
- **2014 Proposed Budget – Third Draft**- Auditor McEathron presented the third draft of the 2014 proposed budget. The Board discussed several line items with management including electric rate revenue increases and their impact upon cash on hand.

Staff recommended the budgeted amount for the digital mapping be increased. After extensive discussion, the Commission recommended increasing this to \$95,000 for 2014. The increase represents in-house labor and a portion of the cost of hiring a contractor to gather data.

The Executive Assistant position was further discussed. Commissioner Gale suggested that we approve the budget with a placeholder on this item and further review in the next strategic planning workshop.

NEW BUSINESS:

- **Resolution No. 2437 – 2014 Budget**- Auditor McEathron presented Resolution No. 2437 to adopt the 2014 Budget. Commissioner Gale made a **motion** to approve Resolution No. 2437 to adopt the 2014 Budget and to put a placeholder on the Executive Assistant line item 49 to be discussed at the next strategic planning workshop and Commissioner Esch **seconded** to approve the resolution. **Motion passed unanimously.**
- **Pole Attachment Agreement – Sawtooth Technologies**- This item was deferred.
- **Resolution No. 2436 – Retirement Liability Fund Transfer** – Commissioner Gale made a **motion** and Commissioner Esch **seconded** to approve Resolution No. 2436 to make the transfer of \$ 5,088.07 from the Retirement Liability Fund. **Motion passed unanimously.**
- **Resolution No. 2438 – Senior & Disabled Rebates** - Auditor McEathron discussed the Senior & Disabled Rebates program and presented the Application for Special Electric Rebate. Commissioner Esch made a **motion** and Commissioner Gale **seconded** to approve Resolution No. 2438 establishing Electric Rebates for Senior and Disabled Customers. **Motion passed unanimously.**

MANAGER’S REPORT:

- **Operations Report** – Manager Bischoff informed the Commission about the continued progress with the Bear Creek diversion dam fish passage issue and our draft letter proposing mitigation efforts to the Washington Department of Fish & Wildlife. The WDFW came back with their draft response and Manager Bischoff was very happy to report the letter contained everything and more than expected. They acknowledged the appropriate permits are in place, namely the hydraulic project permit, and technically the District cannot be forced to construct fish passage and the mitigations offered were acceptable. A letter with minor comments has been sent back and it is in the internal review stage

within WDFW. We expect to receive it back very soon and at that point it will be taken to the Forest Service for renewal of the Special Use Permit.

- **Strategic Planning Workshop** – Manager Bischoff proposed some dates to the Commission. October 28 through 30th or November 4th through the 6th, 2013 would work for staff. Manager Bischoff will send an email to the Commissioners with proposed workshop dates.

AUDITOR’S REPORT:

- None.

COMMISSONER’S REPORT:

- Commissioner Gale spoke about the PUD Association meeting he attended and the draft resolution regarding interconnection standards with third party ownership of solar energy and it also includes concerns about smart meters and privacy for customers.

CALENDAR:

- Commissioner Leach will attend the Energy Northwest Members’ Forum.

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	49651-49728	\$728,480.28
Carson Water	6192-6198	\$17,639.17
Underwood Water	3656-3658	\$6,348.97

PUBLIC COMMENT:

- None.

Meeting adjourned at 3:30 p.m.

Clyde Leach, President

Dennis Gale, Secretary

The next regular scheduled Board of Commissioners’ Meeting will be
Monday, October 21, 2013 at 9:00 a.m.