

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

December 19, 2011

A regular meeting of the Board of Commissioners was called to order by President Dennis Gale 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; Interim Manager, Robert Gentry; Auditor, Jasen McEathron; Attorney, Ken Woodrich.

AGENDA:

Commissioner Gale stated a customer concern has been added to the agenda as a Discussion item. The Interim General Manager Agreement Amendment will also be added to the agenda.

Commissioner Gale announced the need to hold an Executive Session to discuss potential litigation at 10 a.m.

MINUTES:

- Commissioner Leach made a **motion** to approve the November 21, 2011 Board of Commissioners meeting minutes. Commissioner Esch **seconded** the motion and the minutes were **approved unanimously**.
- Commissioner Esch made a **motion** to approve the December 5, 2011 Board of Commissioners meeting minutes as corrected. Commissioner Leach **seconded** the motion and the minutes were **approved unanimously**.

PUBLIC COMMENT:

- Diane Green – Asked PUD officials and staff to keep in mind the budget challenges being faced by Stevenson-Carson School District and Skamania County during contract negotiations with IBEW Local 125.

NEW BUSINESS:

- **Resolution No. 2383 – Authorizing the District Manager and District Auditor to Negotiate with IBEW Local 125** – Commissioner Gale indicated this resolution was not prepared for previous negotiations and he asked for an explanation of its necessity.

Manager Gentry explained that under advisement of Attorney Menke, the resolution is a preemptive measure should the Union question the negotiating authority of District management. He also highlighted the resolution contains the caveat that the Board has final approval authority.

Commissioner Leach stated he was concerned about the term “tentative contracts”, and suggested “tentative agreements” would be better.

Attorney Woodrich explained “tentative” establishes any contract or agreement negotiated is not final until approved by the Board. He further emphasized the Board’s approval authority is protected legally and unchanged by this resolution.

Commissioner Esch stated he believed state law clearly assigned management negotiating responsibility.

Attorney Woodrich explained that Mr. Menke has extensive labor law experience and his recommendation for this resolution is based upon this experience to avoid the risk of future negotiating problems.

Commissioner Esch made a **motion** to accept Resolution No. 2383. Commissioner Leach **seconded** the motion and the motion was **approved unanimously**.

ATTORNEY’S REPORT:

- **Interim General Manager Agreement Amendment** – Attorney Woodrich explained the changes made to the contract to reflect the Board’s direction from the last meeting.

Manager Gentry stated he agreed with the contract modifications and that the contract was now month-to-month.

Commissioner Gale inquired of Attorney Woodrich if staff is seeking approval of the Amendment as stated or will the old contract language cited be removed.

Attorney Woodrich explained the Amendment is structured in a standard fashion for amending a contract, clearly identifying the amended language and new language. Attorney Woodrich also advised the Board of the need to follow RCW 54.16.100, even though Mr. Gentry holds an Interim Manager position.

Commissioner Gale confirmed the change in salary is to be effective December 5, 2011, the date of the Board’s approval.

Attorney Woodrich directed the Auditor to modify the Amendment, **Section 3: Salary**, by adding “effective December 5, 2011, as approved by motion of the Commissioners on that date.”

Commissioner Leach inquired of the nature and necessity of a name clearing hearing, and whether Bob Wittenberg was afforded that opportunity.

Attorney Woodrich affirmed a name clearing hearing is provided for by RCW to provide the terminated employee the floor in a public meeting to offer their side of the story. Attorney Woodrich also confirmed that Mr. Wittenberg was offered an opportunity for a name clearing hearing.

Commissioner Leach made a **motion** to accept the Interim General Manager Agreement Amendment as corrected. Commissioner Esch **seconded** the motion and the motion was **approved unanimously**.

DISCUSSION ITEMS:

- Customer Concern – Auditor McEathron explained the circumstances surrounding a customer complaint and her request for a \$75 reconnect fee to be waived.

Commissioner Gale stated he was concerned about the abusive language used by the customer with our staff. He further explained he had spoken with the customer, invited her to the Board meeting or to write a letter if she was unable to attend. No letter had been received by Commissioner Gale or staff as of the meeting.

Discussion was held regarding communications with the customer, PUD collection policy, the issue between the customer and landlord, and handling of abusive customers.

Commissioner Gale directed staff to require a deposit of the landlord for any future leave on order.

The Commissioners considered the fee waiver request and after considerable discussion chose not to take any action, reaffirming the position taken by management with this customer.

Commissioner Gale stated that the customer intended to pay the past due charges on her landlord's account, that were incurred before she set up an account in her name. The Board directed staff to approach the customer with the option of transferring to her account the past due charges in the landlord's name. Staff agreed to seek the customer's approval in writing, if agreeable.

Break at 9:57 a.m. until 10 a.m. Executive Session to discuss potential litigation (RCW 42.30.110 (1)(i)) and employee performance (RCW 42.30.110 (1)(g)).

Executive Session extended 5 minutes to 11:05 a.m.

Meeting reconvened at 11:05 a.m.

AUDITOR'S REPORT:

- Auditor McEathron presented a fund balance report and briefed the Board on the State Auditor's Office 2009-2010 audit of the PUD.
- Auditor McEathron presented the Bad Debt Write-Offs in the amount of \$5,433.43. Commissioner Esch made a **motion** to accept the Bad Debt Write-Offs. Commissioner Leach **seconded** the motion and the motion was **approved unanimously**.

Commissioner Gale requested staff to research the collection agency agreement to determine whether a collection fee is assessed.

MANAGER'S REPORT:

- WPAG Agreement – Manager Gentry presented the agreement to the Board and summarized the services provided by EES Consulting and Marsh, Mundorf, Pratt, Sullivan & McKenzie.

Commissioner Esch made a **motion** to approve the agreements totaling \$5,384 with EES Consulting and Marsh, Mundorf, Pratt, Sullivan & McKenzie and authorize Manager Gentry to sign the agreements. Commissioner Leach **seconded** the motion and the motion was **approved unanimously**.

- Outage Report – Manager Gentry presented the November 2011 outage report to the Board.

COMMISSIONER’S REPORT:

- Commissioner Esch directed staff to inquire with John Carlson, Skamania County Emergency Management, regarding the need for a hazardous material mitigation resolution.
- Commissioner Gale reported on his attendance at the WPUDA Water Workshop. He stated during the roundtable session he learned Kitsap County PUD ensures all fixed costs are covered by the basic charge and not the upper rate tiers. In addition, Commissioner Gale noted that utilities are experiencing a significant reduction in water demand due to more efficient water fixtures and economic conditions.

Commissioner Gale reported that Wahkiakum County PUD waived the connection fees to promote growth and Skagit PUD is installing micro-turbines to generate power from their water mains. He also stated Klickitat PUD is seeking new legislation to allow them to sell water for a \$2 billion privately owned pump storage project.

Commissioner Gale reported on the Washington State Department of Health survey of water systems for consolidation and the possible extension of water system plan updates from six years to ten years.

Commissioner Gale reported the State Revolving Fund and Public Works Trust Fund loan program has received \$130 million in federal funds, bringing those programs up to potentially \$800 million. The program is seeking quicker loan turnovers and modernization of the loan application process.

Commissioner Gale suggested Bill Clarke, WPUDA lobbyist, could assist us with obtaining water rights information at the Wind River Nursery. Attorney Woodrich reported that Said Amali, Skamania County Contract Engineer, was researching the water rights and will keep the task force briefed. Manager Gentry stated the Wind River water rights project has been placed on hold as directed.

VOUCHER APPROVAL:

Commissioner Esch made a **motion** to approve the vouchers.

Voucher	Number	Amount
Electric System	47149-47218	615,736.93
Carson Water	5864-5875	42,912.92
Underwood Water	3479-3480	26,540.00

Commissioner Leach **seconded** the motion, and the **motion was carried unanimously**.

PUBLIC COMMENT:

- Sherry Esch – Suggested the PUD have a plan for extended computer outages and commended staff for their handling of the customer complaint discussed during this meeting. She also asked the PUD to consider a policy for consolidating charges on multiple accounts held by one person. Ms. Esch also encouraged the PUD to pursue all legal means for collection of past due accounts.

The Commissioners and Attorney Woodrich discussed collection policies and procedures. Commissioner Gale requested staff to review.

- Liz Green – Stated she was pleased with the Board, Management, and public interaction at the PUD over the past six months. She also suggested the PUD provide a briefing to the public regarding potential litigation issues discussed in executive session and cautioned the PUD on entering into a settlement with the former PUD Manager.

Attorney Woodrich requested a private labor negotiations meeting with the Commissioners, exempt from the Open Public Meetings Act, following today's public meeting.

Meeting adjourned at 12:03 p.m.

Dennis Gale, President

Curt Esch, Secretary

The next regular scheduled Board of Commissioner's Meeting will be:
Tuesday, January 3rd, 2012 at 9:00 a.m.