

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

February 7th, 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 Curt Esch; Commissioner Clyde Leach; Commissioner Dennis Gale; Manager, Bob Wittenberg; WO/HR Coordinator, Shonna Taylor; Attorney, Ken Woodrich; Public Members, Betty Daubenspeck, Liz Green, Diane Green, Sherry Esch, and Mary Repar.

**MINUTES**

The minutes of Special Meeting January 12<sup>th</sup>, 2011 were put on hold to be discussed later for more detail.

Commissioner Leach made a **motion** to approve the January 17th, 2011 minutes as corrected. Commissioner Esch **seconded** the motion and the minutes were **approved unanimously**.

**NEW BUSINESS**

- **Public Member Mary Repar** - Mary Repar informed the commission that she planned to sue the PUD if the yard light that had been installed for her neighbor was not removed or fully shielded. She explained the yard light shines in her window and makes her frustrated, angry, and feels it is a public nuisance. She presented the Commission with a 60-day notice. After discussion with the Commission and Attorney Woodrich it was decided to discuss this matter in Executive Session due to potential litigation.
- **Public Member Sherry Esch** – Sherry Esch lodged a complaint against the PUD Manager regarding a response to public records request with un-redacted information. She had made a copy of the un-redacted documents for her attorney, and returned the set given her to the PUD and she was given a redacted copy and wants the Commissioners to address this issue.
- **Public Member Liz Green** – After listening to Mrs. Esch, Liz Green, realized her redacted copy of the same public records had private information she could see, even though the redaction had been done. Attorney Woodrich on behalf of the PUD wants to make it very clear that it was requested the documents be returned to the PUD for proper redaction without retaining any private information. Attorney Woodrich further explained that for proper redaction according to the RCW's, the original should be copied, thoroughly blackened and recopied again, although, the new copiers have improved so much, often the toner does not absorb the ink on the document. Attorney Woodrich suggested redaction software be used in the future.

Sherry Esch made a request of the Board and Mrs. Green; the people that have been victimized in this, have asked her to retain a chain of evidence which she has done and requested Mrs. Green make a list of the names that she could see private information.

Attorney Woodrich has deep concern about retaining documents that the people know were not intentionally provided with private information.

Sherry Esch explained that she has a right and obligation and retained a copy of the un-redacted documents in a sealed document for her attorney and that no one else has seen but her.

Attorney Woodrich explained again that on behalf of the PUD that it was requested that these documents be returned to the PUD without retaining any private information of these individuals and what you do on your own after that is strictly your own decision, your own potential liability, not the PUD's issue and on behalf of the PUD is making that request in this meeting.

Sherry Esch then responded that she does not have the right to forestall somebody's legal resources available to them.

Liz Green wrote down the names only that she could see information on through the redaction and put in an envelope to mail to herself.

Mrs. Green handed her copy of the documents that needed further redaction to Attorney Woodrich. Attorney Woodrich will be using computer software for the redaction, further stating that even though the WAC calls for one time copying after blackened; it is often not enough for absolute complete redaction.

Commissioner Gale felt this matter needed to be taken up with our attorney. Attorney Woodrich explained that this would be appropriate for executive session.

Commissioner Gale asked for any further public comment.

Mary Repar commented that she would like to see the commission have a public comment period at the beginning of the agenda and the meetings held in a public arena instead of in the manager's office.

## **OLD BUSINESS**

- **Resolution No. 2361, Carson Water Rate Increase** – Commissioner Gale requested that this be put on hold until later in the meeting.
- **Resolution No. 2362 Water Billing Error** - WKO, a commercial customer was notified of the billing error and discussed with staff. The Commission approved a billing error adjustment. Commissioner Esch was concerned if the cause had been identified and if the problem was fixed. Commissioner Leach stated that in view of the fact the bill had been paid and staff did as instructed by the Board he would make a **motion** to approve Resolution No. 2362. Commissioner Esch **seconded** the motion and the motion was **approved unanimously**.
- **Resolution No. 2354 Removing Former Employee as Auditor** – Commissioner Leach made a **motion** to approve Resolution No. 2354. Commissioner Gale stepped down and **seconded** the motion. A vote was taken. Commissioner Leach, Aye, Commissioner Gale, Aye; Commissioner Esch, Opposed.
- **Resolution No. 2363 Transfer Electric Funds** – Transferring funds from the Electric Construction Fund and Rate Stabilization Fund to the Electric General Fund. Commissioner Gale inquired about the total capital construction projects for 2010 and wanted to make sure at least 50% of these funds were taken from the construction fund. Commission Esch made a **motion** to approve Resolution #2363. The motion was **seconded** by Commissioner Leach and the motion was **approved unanimously**.

Break at 10:30 a.m..

Entered into **Executive Session** at 10:38 a.m. until 11:15 a.m. to discuss potential litigation on two issues; the yard light complaint from Mary Repar and redaction of public record requests.

**Executive Session extended 15 min to 11:30 a.m.**

**Executive Session extended to 11:40a.m.**

**Executive Session ended at 11:40 a.m.**

Break at 11:40 a.m.

Meeting reconvened at 11:50 a.m.

Commissioner Gale announced that the Commission had discussed the yard light issue and redaction of public records and directed staff and Attorney Woodrich to proceed.

Attorney Woodrich wanted clarification from Liz Green that the documents that needed further redaction had been seen for the first time this morning by her and wanted to further confirm that no one else had studied the documents or seen the information. Liz Green confirmed that she knew the documents had been redacted, but did not realize until Sherry Esch's complaint, that they were not completely redacted.

- **Resolution No. 2361 – Carson Water Rate Increase** – Discussion of a letter regarding the basic rate increase signed by three customers, asking the Commission to reconsider raising the basic fee. Commissioner Gale wanted clarification from the manager on the power point presentation in reference to the customers in the minimum block. Commissioner Esch would like to review the survey of the water tank. Manager Wittenberg explained the Carson Water Plan will be available at the end of March. Commissioner Gale further explained that we need the revenue to be financially sound for the needed maintenance and to be in compliance with the Department of Health. After considerable discussion Commissioner Leach made a **motion** to approve Resolution No. 2361. Commissioner Gale stepped down and **seconded** the motion. This was opened for discussion and Commissioner Esch cautioned the impact that labor has on the small systems, such as stand by costs that we did not have in years past. Commissioner Esch did not see this in the union contract.

Attorney Woodrich explained that there might be some wage/hour issues if an employee is expected to do something when they are not working. Commissioner Gale reaffirmed that adding another half time person to the water system should be used on construction projects. Commissioner Gale called for a vote. Commissioner Leach, Aye; Commissioner Gale, Aye; Commissioner Esch, Nay. The motion was **carried** with a vote 2-1.

#### **NEW BUSINESS Cont.**

- **Policy for Public Records Request** – Staff is working on a Public Records Request Policy to be presented at the March 7, 2011 meeting.
- **Policy for Website Management and Postings** – Attorney Woodrich explained to the Board that there is no requirement to put anything on the website, but staff does need direction on what the Board would like posted. Staff recommends the minutes can be posted, but any attachments to the minutes can be

requested by the public. Commissioner Leach made a **motion** to post the minutes without attachments. Commissioner Esch **seconded** the motion and the motion was **approved unanimously**.

- **Customer Letter** – Commissioner Esch would like to address the customer letter in concern of the water system rate and inform them that there has been a 10% rate increase.

Liz Green advised the Commission that she would like to read a letter of complaint against the manager and she gave the Commission a copy.

Attorney Woodrich explained to the Commission, under the RCW's this is a complaint against a public employee. The public employee has the right to decide if deliberation is in open session or executive session.

Break for lunch at 12:55 p.m.

Meeting reconvened at 2:00 p.m.

Manager Wittenberg asked the Board if they would like him to respond to the customer letter of January 20, 2011 that was sent to the Commission by three customers. The Commission directed the manager to respond to this letter.

**MINUTES Cont.** – Commissioner Esch would like more detail on the January 12, 2011 Special Meeting on the Evaluation of the Manager. Commissioner Gale would like staff to add what four categories the manager was evaluated in. The Board directed staff to present the corrected minutes at the next meeting on February 22, 2011.

#### **NEW BUSINESS Cont. :**

- **Fund Balance Review** – The Commission reviewed the financials that were prepared by Accountant Salvie Stevens. Commissioner Gale questioned the Carson Water '05 Bond Fund balance. Manager Wittenberg reported that there are several capital improvements that are planned this year. Commissioner Gale reviewed the debt service coverage. Commissioner Gale recommends that we need to increase our Electric General Fund balance.

#### **DISCUSSION ITEM:**

- **Job Description & Management of New Auditor Position** – Commissioner Gale reported that he met with staff as a committee after the January 17, 2011 Commissioners' Meeting to present his list of duties of the job to identify the specific areas the Auditor position should cover and a list of duties as the Chief Financial Officer. After input from other staff members Manager Wittenberg presented the list of duties of the draft document. Commissioner Gale would like to see this advertised as soon as possible and the complete job description can be continued to be worked on. At length discussion was had by the Commission on the interview process. Commissioner Leach and Commissioner Gale would like the manager to be involved in the interview process from the beginning. Commissioner Esch would like to choose 2 or 3 candidates and then involve staff. Salary was discussed and the smaller utilities will be polled and adopting a new resolution on the salary of the Chief Financial Officer/Auditor position was also discussed. The Board directed the Manager to complete the draft job description and advertisement for the position and email to the commission for final approval.

**ATTORNEY'S REPORT:** None.

**INVESTMENTS**

Manager Wittenberg wants the general fund balance to be higher. Commissioner Gale agreed.

**MANAGER'S REPORT:**

The District is in need of a new copy machine and Manager Wittenberg presented estimates that were provided. The budget only has \$8,000 for a copy machine, the estimates are higher than \$8,000 and Manager Wittenberg wants the Boards' approval. Commissioner Gale does not feel that we need a budget adjustment for this small difference in the amount of money.

Manager Wittenberg recommends an underground line replacement of approximately 1.4 miles on the west end of the county on Matthews Road where there have been many outages that serves 40 plus customers. Manager Wittenberg does not feel this is acceptable service.

The IRS changed the mileage rate as of January 1, 2011 to \$.51 per mile.

Trade Associations: Commissioner Gale reported that the PUD Association's roster on the delegates is different from our most current. Their roster is showing Humaira Falkenberg as the delegate and our minutes show Manager Wittenberg. Manager Wittenberg suggested that he and Humaira Falkenberg be alternates for both the energy committee and the water committee. Commissioner Leach made a **motion** to have Manager Wittenberg and Humaira Falkenberg as alternates to vote on the water and energy committees. Commissioner Esch **seconded** the motion and the motion was **approved unanimously**.

Commissioner Esch commented that he did not feel that two staff members need to be at the same WPAG meeting. Manager Wittenberg said the next meetings WPAG are very important and he would recommend that all the commission should attend if possible.

Manager Wittenberg reported that he contacted Cowlitz PUD regarding Swift Reservoir and they do not want to serve this area and Daniel Tucker was contacted. Pacific Power and Light might be worth contacting, they serve Swift Reservoir Camps.

**COMMISSIONER'S REPORT:**

Commissioner Esch attended the WPAG meeting and feels that they have the most insight even though this is a very complex issue. Commissioner Esch questioned if our attorney has legal rights to be on our health insurance and would like us to seek an outside attorney or confer with our insurance and other utilities. Commissioner Gale knows that we negotiated that with him and we will double check with the insurance company. Manager Wittenberg advised that our prior attorney also had health insurance with the District. Commissioner Gale recommended we speak with Bill Clark.

**Commissioner's Workshop:**

The PUD Association is putting on training workshops for new commissioners on February 16<sup>th</sup>, 2011 for the first half and the second half will be held in March. Commissioner Leach plans to attend and encouraged the other commissioners to attend.

Sherry Esch questioned the Commission on a response to her complaint. The Commission assured Mrs. Esch that after conferring with the insurance company and attorney, she will be responded to.

Liz Green also stated that she would like a response to her letter. Commissioner Gale noted he wants courtesy shown on both sides.

Commissioner Esch feels the Board owes the public an apology. Commissioner Gale feels comments were out of place and out of order; we need some follow-up on the evaluation of the manager and direction that needs to be taken and a workshop session should be scheduled. Commissioner Esch agreed this needs additional attention.

Commissioner Gale asked the staff to check with the insurance company regarding personal accident insurance. He wanted us to check if the spouse can remain on when the commissioner or employee reaches the age of 70. Commissioner Gale also wanted to know if unfinished business is being tracked.

**VOUCHER APPROVAL**

The following vouchers were approved for payment by a **motion** made by Commissioner Esch.

<b>Voucher</b>	<b>Number</b>	<b>Amount</b>
Electric System	45918-45989	\$ 877,814.73
Carson Water	5734-5740	\$ 5,612.89
Underwood Water	3411-3412	\$ 41.27

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

Meeting adjourned at 4:35 p.m.

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**Dennis Gale, President**

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**Curt Esch, Secretary**

The next regular scheduled Board of Commissioner's Meeting will be:  
**Monday, February 22nd, 2011 at 9:00 a.m.**