

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

February 19, 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; and Attorney Ken Woodrich.

**MINUTES:**

- Commissioner Gale made a **motion** and Commissioner Esch **seconded** to approve the February 4, 2013 minutes. **Motion passed unanimously.**

**PUBLIC COMMENT:**

- John Goodman – Inquired if the proposed contracts for this meeting were with the same engineering firm discussed at the previous meeting.

**OLD BUSINESS:**

- **IT Support Contract - Radcomp** – Ryan Kreps, Radcomp President, presented the new proposed IT Support contract and compared the level of service currently received by the PUD. The elements of data backup, public records management, IT security, and future hardware investments were discussed. After the discussion, Commissioner Gale made a **motion** and Commissioner Esch **seconded** to approve the contract for at least 6 months at the monthly rate of \$3,200.00. **Motion passed unanimously.**

Following the contract approval, the Board and Management discussed competitively soliciting proposals for IT Support services in the future.

**NEW BUSINESS:**

- **Wallis Engineering PSC – Scenic Heights Water Main** – Manager Bischoff presented the contract engineering design services of the Scenic Heights Water Main replacement in the Underwood Water System. The project is one of the planned capital improvements in the 2013 Budget. After further discussion, Commissioner Gale made a **motion** and Commissioner Esch **seconded** to approve the contract with Wallis Engineering for \$3,924.00. **Motion passed unanimously.**
- **Wallis Engineering PSC – Monaghan Road Water Main** – Manager Bischoff presented the contract engineering design services of the Monaghan Road Water Main replacement in the Carson Water System. The project is one of the planned capital improvements in the 2013 Budget. After further discussion, Commissioner Gale made a **motion** and Commissioner Esch **seconded** to approve the contract with Wallis Engineering for \$3,924.00. **Motion passed unanimously.**

## **ATTORNEY'S REPORT:**

Break at 10:05 a.m. for 10 minutes, immediately followed by an Executive Session to discuss potential litigation in accordance with RCW 42.30.110(1)(i), at 10:15 a.m. for a duration of 15 minutes.

Executive session extended 5 minutes at 10:30 a.m.

Executive Session ended at 10:35 a.m.

Meeting Reconvened at 10:35 a.m.

## **MANAGER'S REPORT:**

- **Outage Report** – Manager Bischoff provided an overview of the outage report, citing a current trend below the 10 year average.
- **WPAG Update** – Manager Bischoff provided a briefing of the WPAG efforts to get Skamania PUD deregistered from WECC.
- **Project Coordinator Recruitment** – Manager Bischoff announced the open recruitment for a new Project Coordinator, a position recently vacated. The position is being advertised through various media outlets and the PUD website.
- **Underwood Water System** – Manager Bischoff discussed the need to divide Phase 2 Scoggins Road project in Underwood into preliminary planning in 2013 and construction in 2014.

Break at 10:55 a.m. for 5 minutes.

Meeting Reconvened at 11:00 a.m.

- **Underwood Water System Cont.** – The Board expressed a desire to revisit the Underwood Water capital plan, citing concerns over capital improvement priorities and construction reserve funds. Manager Bischoff agreed to engage in further discussion before proceeding.
- **Carson Water System** – Manager Bischoff gave a briefing on the Bear Creek Diversion Dam Fish Bypass project. Currently two proposals are being evaluated for the preliminary engineering and design of the fish bypass, including a structural analysis of the present diversion dam. Manager Bischoff also discussed the Bear Creek Transmission Study to evaluate the condition of the transmission lines and trestle. The study is to include a corrosion analysis and geological hazard vulnerability. The Board discussed the need for WRIA 29 to recommence. Attorney Woodrich described the Port's efforts to jump start WRIA 29, the feasibility study of the Wind River Nursery site becoming the primary water source for the Carson Water system, and progress with the test well.
- **Strategic Planning** – Manager Bischoff presented information about strategic planning, organizational structure & roles, and examples of other organization Mission, Vision, & Values. He described the important role of the Board to establish these in a strategic plan, setting a vision for the PUD and expectations of management. Management then is responsible for putting the strategic plan and Board vision into action. To assist with this important process, Manager Bischoff suggested utilizing a

facilitator. The Board discussed the use of a facilitator and decided not to hire one for their strategic planning. The staff will schedule strategic planning sessions in the near future.

**COMMISSIONER’S REPORT:**

- Commissioner Gale reported on his attendance at the WPUDA meetings. The Public Disclosure Commission (PDC) gave a presentation on reporting of lobbying activities. The PDC discussed a requirement that elected officials who spend more than \$15 on non-public/personal funds in support of a state legislator must report these activities for the filing of an L-5 report. Further research will need to be performed to ensure the PUD is fulfilling its legal requirements.

The federal government is taking the lead on negotiating an expiring Columbia River Treaty with Canada. BPA is calling upon local PUD’s to support this important effort.

Clark PUD has returned as a member of WPUDA and their dues will be used to pay debt service of the WPUDA building in Olympia.

Proposed changes to the federal tax code include the elimination of tax exempt financing. This change would adversely affect public agencies ability to finance capital improvements, but would result in potentially a \$30 billion windfall for the federal government. The future of tax credits for wind farms is uncertain as well.

Qualifying hydroelectric projects as renewable energy is passing with strong support at the federal level.

Local control was challenged by the Chu memo, which is being rebuffed in support of retaining local control in the Northwest.

Changes to the HRA/VEBA federal tax laws are being pursued to ensure survivors and estates of deceased participants do not lose the benefit.

Utilities subject to Initiative 937 requirements continue to pursue changes to the law.

Exempt well legislation and FirePal bills are also being introduced this session which affect water systems.

- Commissioner Esch reported that newly elected Governor Inslee opposes changes to Initiative 937 that negatively impact green energy in the State.

**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 | 48782-48841 | \$222,410.80 |
| Carson Water    | 6083-6092   | \$ 18,846.64 |
| Underwood Water | 3599-3603   | \$ 6,463.17  |

**PUBLIC COMMENT:**

- John Goodman – Inquired whether the contracts with Wallis Engineering include construction management, questioned the follow thru and accountability of staff regarding the IT support contract, questioned whether the PUD has explored other options to draw water from other locations on Bear Creek or possibly the Wind River rather than spend money on the evaluation and rebuilding of the existing Bear Creek source infrastructure, expressed concerns regarding equipment damage due to power outages, and suggested the PUD be run like a for profit business.
- Ray Alvarez – Questioned a tool purchase.

Meeting adjourned at 12:14 p.m.

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**Clyde Leach, President**

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**Dennis Gale, Secretary**

The next regular scheduled Board of Commissioners' Meeting will be  
**Monday, March 4, 2013 at 9:00 a.m.**