

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

January 6, 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 Curt Esch; Commissioner Dennis Gale; Commissioner Clyde Leach; General Manager Brent Bischoff; Auditor Jasen McEathron; Project Coordinator Melanie Sharp; and Attorney Ken Woodrich.

MINUTES:

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

PUBLIC COMMENT:

- Mary Repar urged the PUD to evolve during the next year, raise efficiencies, and look at changing some of the methods they currently use.

OLD BUSINESS:

- None.

NEW BUSINESS:

- **Resolution No. 2448 – General Manager Salary–** Manager Bischoff presented Resolution No. 2448 to increase the General Manager’s salary 2% from \$137,000 annually to \$139,740 annually effective as of December 16, 2013. Commissioner Esch made a **motion** and Commissioner Gale **seconded** to approve Resolution No. 2448. **Motion passed unanimously.**
- **Resolution No. 2449 – Association & Committee Delegates-** Manager Bischoff presented Resolution No. 2449 appointing the 2014 PUD delegates to industry associations, groups and councils. The Commissioners requested the following changes be made to the resolution. Commissioner Esch will be added as an alternative representative to Energy NW. Auditor McEathron will be added as the alternate representative for PURMS. Commissioner Gale will be the representative instead of Manager Bischoff for the Washington PUD Association Communications and Education Steering Committees. The PUD will not be represented at the Washington PUD Association Executive Committees. After discussion, Commissioner Esch made a **motion** and Commissioner Gale **seconded** to approve Resolution No. 2449 with corrections. **Motion passed unanimously.**

DISCUSSION ITEMS:

- Commissioner Leach asked about a PURMS brochure that he received and requested clarification regarding out of pocket expenses.
- Commissioner Esch requested staff draft a resolution that the entrance and exit meetings for State audits occur during planned board meetings.

ATTORNEY'S REPORT:

The Board entered into Executive Session at 9:30 a.m. to discuss Potential Litigation per RCW 42.30.110(1)(i) for a duration of 20 minutes. Commissioner Leach, Commissioner Gale, Commissioner Esch, Auditor McEathron, and Manager Bischoff were in attendance. Executive session was extended an additional 10 minutes. Executive session ended at 10:00 a.m.

MANAGER'S REPORT:

- **Emergency Backup Generator** – Manager Bischoff reported on the planned installation of the emergency backup generator at the Carson Water System Industrial Site requiring a property boundary adjustment.
- **Underwood Water System Water Rights** – Manager Bischoff reported that the PUD has submitted a new water right application for the Underwood Water System.
- **Voltage Regulation** – Manager Bischoff discussed that there have been intermittent low voltage due to heavy load during cold temperatures causing difficulty for some commercial customers in the Mill A area. The PUD will work to obtain required permits to install a voltage regulator this summer.
- **Fire Damage Claim** – Manager Bischoff reported that PUD was served a lawsuit for claim of fire damage from a customer. The customer claims that when the PUD staff was working on the electric system they caused an over voltage condition that started a fire in their house.
- **Biomass Plant** – Manager Bischoff stated that Paul Spencer is scheduled to address the board at the next meeting to update the Board on progress of the proposed biomass plant. Manager Bischoff also discussed that a transmission rate structure will need to be developed for this potential new generator who will move generated power across the PUD system to the BPA system.

Commissioner Gale inquired about the status of the Carson Source Study from Wallis Engineering. Manager Bischoff responded that Wallis is finalizing the report and will be prepared to give a presentation to the Board in February.

AUDITOR'S REPORT:

- Accounting Clerk/Customer Service Representative Vacancy – Auditor McEathron reported the recruitment process to fill the entry level position will be starting soon.
- 2013 Financial Statement Audit – Auditor McEathron discussed the schedule for completing the annual report and the option of contracting for accounting assistance to complete the report at an earlier date. The accounting assistance was estimated to be \$5,500 and accelerate the publication of 2013 audited financial statements 3-4 months. The Board was not in support of contracting for accounting assistance and asked staff to provide a timeline for a new bond issue in 2014.

Commissioner Gale requested a summary of VEBA compliance. Auditor McEathron reported that the PUD has received confirmation from the VEBA administrator its policies and contribution methodologies are in compliance with the IRS regulations.

COMMISSONER’S REPORT:

- Commissioner Leach reported that he may be out of the area during parts of February and March but will attend the meetings by phone.

CALENDAR:

- Commissioner Esch will attend the PPC Meeting scheduled for January 9, 2014.
- Commissioner Gale will attend the WPUDA Association Meeting scheduled for January 15-17, 2014.
- The WPAG Meeting is scheduled for January 23, 2014.
- The Energy NW Board Meeting is scheduled for January 23, 2014.
- The PPC Meeting is scheduled for February 7, 2014.
- Commissioner Leach noted that Energy NW is hosting a tour of a small, modular nuclear facility. Manager Bischoff will try to attend.

VOUCHER APPROVAL:

Commissioner Esch made a **motion** and Commissioner Gale **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	50017-50086	\$702,141.84
Carson Water	6230-6241	\$17,797.89
Underwood Water	3679-3682	\$281.01

PUBLIC COMMENT:

- None.

Meeting adjourned at 10:40 a.m.

Clyde Leach, President

Dennis Gale, Secretary

The next regular scheduled Board of Commissioners’ Meeting will be
Monday, January 20, 2014 at 9:00 a.m.