

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

March 5, 2012

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 Dennis Gale; Commissioner Clyde Leach; Interim Manager, Robert Gentry; Auditor, Jasen McEathron; Special Project Coordinator, Scott Fielding; Attorney, Ken Woodrich; and WO Specialist/HR Coord., Shonna Taylor.

AGENDA REVIEW:

- Legal Services Contract was moved up to Old Business.

MINUTES:

- Commissioner Esch made a **motion** to accept the February 21, 2012 Board of Commissioners' meeting minutes as corrected. Commissioner Leach **seconded** the motion and the minutes were **approved unanimously**.

PUBLIC COMMENT:

- Sherry Esch – Spoke about attorney healthcare and the current legal services contract. Ms. Esch entered an L&I document into the record.

OLD BUSINESS:

Wind River Utilities Joint Task Force – The Port of Skamania Executive Director, John McSherry, made a presentation summarizing the efforts and vision for the Task Force. He also was seeking the PUD Board's approval for the Task Force to invite the U.S. Forest Service to the Joint Task Force and their proposal. Mr. McSherry was asked to change the project timeline to reflect funding requirements prior to conveyance of the water system to the PUD. Commissioner Esch made a **motion** to authorize the Manager to sign the Forest Service proposal as corrected. Commissioner Leach **seconded** the motion and the motion was **approved unanimously**.

Legal Services Contract – John McSherry also spoke about his personal experience working with Attorney Ken Woodrich both on the City Council and the Port and the attorney's vast experience with municipal law and urged the Board to look at his reasonable rate and experience when making a decision regarding his legal services contract. Commissioner Gale responded regarding the agreement for legal services and a formal opinion from the Attorney General's Office. Commissioner Leach contacted Senator Honeyford in an effort for assistance in obtaining an answer from the Attorney General's Office and received a positive response. Commissioner Leach further explained there is no law against renegotiating a contract. Attorney Woodrich stated on record that he would waive the 30 days. The deadline to go with the Bar Association insurance is March 30th and thanked Commissioner Leach for his efforts. His preference would be to stay on the PUD insurance and hoped the PUD would continue looking into this. Commissioner Gale explained the State Auditor's Office did not give a timeline and he liked Commissioner Leach's idea to renegotiate a contract. Attorney Woodrich discussed the need to have an attorney available when discussing the contract. Commissioner Esch would like to have another attorney present when renegotiating the contract and wants

to discuss issues. Manager Gentry suggested the Board give him the authority to negotiate the contract. After discussion it was proposed the contract would be negotiated by Manager Gentry; reviewed by a third party attorney; and then reviewed with Management, the Board and the third party attorney.

Commissioner Leach made a **motion** to authorize management to renegotiate the contract with a third party attorney, for further review as previously discussed. Commissioner Gale **seconded** the motion. The vote was 2 Aye, 1 Nay.

Break at 10:52 a.m. for 8 minutes.

The meeting reconvened at 11:00 a.m.

- **Resolution No. 2389 – PURMS Interlocal Agreement Amendments** – Auditor McEathron presented the finalization of the administrative and legislative amendments to the PURMS Interlocal Agreement. The Commission reviewed the proposed changes in November 2011. Commissioner Gale voted to approve the amendments at the PURMS annual meeting with other PUD representatives. Commissioner Esch made a **motion** giving Manager Gentry authorization to sign Resolution No. 2389. Commissioner Leach **seconded** the motion and the motion was **approved unanimously**.
- **Resolution No. 2390 – Disaster Fund** – Auditor McEathron presented Resolution No. 2390 to increase the Disaster Fund Balance to \$500,000. Commissioner Leach thought the December 1st deadline should be removed. Commissioner Gale concurred. Auditor McEathron explained he was not opposed to removing the deadline. Commissioner Esch made a **motion** to approve Resolution No. 2390 as corrected. Commissioner Leach **seconded** the motion and the motion was **approved unanimously**.
- **Resolution No. 2391- Construction Fund Transfer to Electric Fund** – Auditor McEathron presented Resolution No. 2391 authorizing transfer of \$305,490.08 from the Construction Fund to the Electric Fund for capital projects, representing 50% of the construction costs for these projects. Commissioner Leach made a **motion** to approve Resolution No. 2391. Commissioner Esch **seconded** the motion and the motion was **approved unanimously**.
- **Hydraulics Inc. Professional Services Contract – Equipment Testing** – Auditor McEathron presented the Professional Service Contract for di-electric testing in accordance with OSHA and the current ANSI standards of PUD aerial lift equipment, hot sticks and other equipment necessary yearly. Tim Farrell, Mechanic shopped around and this rate is better than prior years. Commissioner Esch made a **motion** authorizing the manager to sign the Professional Services Agreement. Commissioner Leach **seconded** the motion and the motion was **approved unanimously**.
- **Wallis Engineering PLLC Professional Services Contract** – Manager Gentry presented the Professional Services Contract for the Underwood Water Scoggins Road to Little Buck Creek Road Waterline Project. This improvement will eliminate the Little Buck Creek Tank as proposed in the 2004 Plan Update. Commissioner Esch made a **motion** authorizing the manager to sign the Professional Services Contract. Commissioner Leach **seconded** the motion and the motion was **approved unanimously**.

AUDITOR’S REPORT:

- Auditor McEathron advised the Board the City of Stevenson will not be increasing the utility tax at this time. The State of Oregon received the federal disaster declaration for the recent storm. There has been no confirmation for the State of Washington yet.

COMMISSIONER’S REPORT: None.

The calendar was reviewed by the Commission and staff. There will also be a WPAG meeting on March 22, 2012. Commissioner Leach requested that the Energy Northwest meetings be added to the Agenda.

VOUCHER APPROVAL:

Commissioner Esch inquired about the Lease Agreement with Tom Linde and wanted to know if we were going to buy. Manager Gentry will look into this. Commissioner Leach made a **motion** to approve the vouchers.

Voucher	Number	Amount
Electric System	47473-47513	600,736.47
Carson Water	5903-5907	638.60
Underwood Water	3492-3496	753.82

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

PUBLIC COMMENT:

- Liz Green – Spoke about the attorney contract, possible FEMA money, pending lawsuit and PUD staffing.

Break at noon for 5 minutes.

ATTORNEY REPORT:

- Attorney Woodrich entered into Executive Session with the Board of Commission at 12:05 p.m. to discuss potential litigation (RCW 42.30.110 (1)(i)) for 15 minutes.

Executive Session ended at 12:20 p.m.

Meeting reconvened at 12:25 p.m.

Commissioner Gale directed Attorney Woodrich to proceed as discussed.

Meeting adjourned at 12:26 p.m.

Dennis Gale, President

Curt Esch, Secretary

The next regular scheduled Board of Commissioners’ Meeting will be
Monday, March 19th, 2012 at 9:00 a.m.