

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

July 5th, 2011

A regular meeting of the Board of Commissioners was called to order by President Dennis Gale at 9:00 am at the PUD office in Carson, WA. The following persons were present: Commissioner Curt Esch; Commissioner Clyde Leach; Commissioner Dennis Gale; Interim Manager, Robert Gentry; Auditor, Jasen McEathron; Attorney, Ken Woodrich; Work Order Specialist/HR Coordinator, Shonna Taylor.

MINUTES

- Commissioner Leach made a **motion** to approve the June 20th, 2011 regular meeting minutes as corrected. Commissioner Esch **seconded** the motion and the minutes were **approved unanimously**.

PUBLIC COMMENT

- Mary Repar – Offered her suggestions and discussed the following six items: 1. Would like the PUD to purchase a quality recording system and have the recordings put online. 2. Consideration should be given to shorter meetings. 3. Evening meeting once a quarter for greater public attendance. 4. Excessive salaries for commissioners. 5. Minutes need pages numbered. 6. Inquiry to cost for EES Consulting.

OLD BUSINESS

- **Resolution No. 2376, Appointing Robert Gentry as Interim General Manager:** Commissioner Esch made a **motion** to approve Resolution #2376. Commissioner Leach **seconded** the motion and the resolution was **approved unanimously**.
- **Hiring of Part-Time Meter Reader/Water System Impacts:** Auditor Jasen McEathron advised the board of managements' recommendation to fill the part-time mechanic position with resources internally and hire a half-time meter reader. The 2011 water budget allows for the two employees working part-time on the water system to go full-time. After discussion was held and review of a Water Systems Update prepared for the Boards' review, Commissioner Leach made an **advisory motion** that supports the staff changes recommended by management. Commissioner Esch **seconded** the motion and the motion was **approved unanimously**.
- **Attorney Healthcare:** Commissioner Gale advised the Board that he had spoke with Pacific Underwriters and this is a policy issue. After discussion, it was decided Attorney Woodrich would work on a new agreement. Interim Manager Robert Gentry conveyed that the new proposal would have a clear accounting structure. Commissioner Gale would like management to handle this and bring before the Board again.

DISCUSSION ITEMS:

- **PUD Decision Making Model:** Manager Robert Gentry relayed to the Board that he would like to set up a workshop to build a plan that would be the foundation to operations of the PUD. The governance policy also needs to be completed for clarification. Commissioner Leach has turned the draft governance policy over to the manager. Commissioner Gale would like a list of items to address and then prioritize. Manager Gentry would like an updated plan for both the electric and water systems for a continuing view of what is to take place.

MANAGER'S REPORT

- **Western Public Agencies Group (WPAG):** Manager Gentry reported that he had attended the WPAG meeting and discussed the REP Settlement. He explained that the Bonneville Power Administration (BPA) will implement this if we sign the agreement or do not sign. Manager Gentry also gave an update on Renewable Energy Credits (RECs) and presented the options under the Power Sales Agreement with BPA, 5(3) selected. Under a two-year agreement, the RECs will be turned over to BPA to manage and market for the PUD. The BPA, Day 1 Cost Recovery Adjustment Clause (CRAC), was also discussed and the probability of an 8½% rate increase on the wholesale power bill. However, the increase for Skamania PUD will likely be higher.

AUDITOR'S REPORT

- **Financial Reports:** Auditor McEathron reported on the financials of the electric and water systems. The electric revenues are up slightly due to the rate increase and slightly cooler weather. Gary Leonard, General Foreman, is ahead of schedule as far as maintenance on the electric system.

COMMISSIONER'S REPORT

- Commissioner Esch reported that he had attended the WPAG meeting and discussed liability by us not signing the REP Settlement Agreement. Manager Gentry explained as far as litigation aspects there is a certain amount of exposure, but BPA's end goal is to get their rates into effect. Commissioner Esch presented the Board with a memorandum from Charles Pace in response to the Northwest Power and Conservation Council's request for comment on the proposed budget for 2013 and 2012.
- Commissioner Gale reported on his recent water workshop attended at the Washington PUD Association. He also reported on the status of the Association's lobbyist contracts.

CALENDAR

- Next PPC meeting July 7, 2011.
- Next WPAG meeting August 11, 2011

VOUCHER APPROVAL

Vouchers were approved for payment by a **motion** made by Commissioner Esch.

Voucher	Number	Amount
Electric System	46511-46571	\$ 410,281.56
Carson Water	5799-5804	\$ 20,104.98
Underwood Water	3442	\$ 33.23

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

Break at 11:20 a.m.

Meeting reconvened at 11:25 a.m.

PUBLIC COMMENT:

- Diane Green inquired about discounted water rates for senior and disabled customers.
- Manager Robert Gentry explained this would need analysis at the time of rate increases to capture the cost.
- Commissioner Gale noted that donations can be used for water also.
- Mary Repar inquired about public intervention on the Wind Generators’ litigation.

Entered into Executive Session at 11:40 a.m. for 5 minutes to discuss potential litigation (RCW 42.30.110 (1)(i)).

Executive Session extended to 11:50 a.m.

The regular meeting reconvened at 11:50 a.m.

No action was taken in executive session.

Commissioner Gale requested management report how salary adjustments for non-union employees will be handled. The salary ranges will be presented by management to the Commission for approval.

Meeting adjourned at 11:57 a.m.

Dennis Gale, President

Curt Esch, Secretary

The next regular scheduled Board of Commissioner’s Meeting will be:
Monday, July 18th, 2011 at 9:00 a.m.