

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

July 27, 2012

A special meeting of the Board of Commissioners was called to order by President Dennis Gale at 9:00am. 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; General Foreman, Gary Leonard; Water Distribution Manager, Tom Vance; and Mechanic, Tim Farrell.

The purpose of this Special Meeting was for the Board and Management to discuss Strategic Planning.

Interim Manager Gentry provided an overview of strategic planning processes and the meeting agenda.

Steve Andersen – EES Consulting, presented the draft Capital Financing Plan for the Electric, Carson, & Underwood Systems. Various rate revenue requirements and debt financing scenarios were discussed.

Break at 10:07 a.m. for 8 minutes.

Meeting reconvened at 10:15 a.m.

John Bakken – EES Consulting, provided an overview of the proposed Electric Capital Improvements. Mr. Bakken focused the discussion on a five (5) year planning window.

Water Distribution Manager Vance and Interim Manager Gentry provided an overview of the capital improvement needs of the Carson and Underwood Water Systems for the next five (5) year planning window.

Auditor McEathron and Mechanic Farrell provided an overview of the Fleet Rotation Schedule.

Interim Manager Gentry provided an overview of the Organization Issues and Succession Planning. An organization chart was reviewed and discussed.

Interim Manager Gentry discussed progress towards developing a Personnel Handbook. After further discussion, the Commissioners directed staff to provide a draft copy to the Board for review by August 6, 2012. A future decision will be made on whether an additional work session is needed to discuss the Personnel Handbook.

Break for lunch at 12:20 p.m. for 40 minutes

Meeting reconvened at 1:15 p.m.

Interim Manager Gentry discussed the need begin planning for PUD headquarters building upgrades in consideration of its age and future needs of the PUD. Usually a 10 year planning period is needed to visualize, evaluated and plan a new facility. Commissioner Gale stated that the building improvements could be rolled into the 20 year Capital Improvement Plan.

Interim Manager Gentry discussed an Emergency Response Plan and proposed adopting the County's plan.

Auditor McEathron presented an analysis of the projected retirement liabilities over the next five (5) years.

The Board of Commissioners discussed the capital improvement plans and directed staff to research and report on the following topics:

- Provide a cost analysis of adding a backhoe and truck to the fleet.
- Research further the construction of a storage yard structure.
- Provide alternatives for installing redundant transformers at each substation.
- Research the PUD's liability and responsibilities if the PUD adopts the Counties Emergency Management Plan.
- Include the proposed Executive Assistant position in the 2013 budget.
- Prepare a resolution to increase the Retirement Liability Fund.
- Develop a Building Fund for the future headquarters building needs.

The Water System Capital Improvement Plan will be included in the August 6, 2012 regular Board meeting as a discussion topic.

Meeting adjourned at 3:10 p.m.

Dennis Gale, President

Curt Esch, Secretary

The next regular scheduled Board of Commissioners' Meeting will be:
August 6th, 2012 at 9 a.m.