

PUBLIC UTILITY DISTRICT NO. 1 OF FERRY COUNTY  
REGULAR MEETING OF COMMISSIONERS  
January 18, 2016

The regular meeting of the Board of Commissioners was called to order by President Dan Fagerlie at 9:00 a.m. Present were Commissioners Fagerlie, Doug Aubertin and Chris Kroupa, Manager John Friederichs, Attorney Steve Graham, Auditor Sue Nush, Engineer/Superintendent Steve VanSlyke, and Treasurer Pam Allen.

All stood for the Flag Salute which was led by Commissioner Aubertin.

Visitors: Will Gieri, Andy Studebaker, and Doug Chambers

The minutes of the December meeting were approved by a motion made by Commissioner Kroupa seconded by Commissioner Aubertin and unanimously carried.

**Public Comments:**

1. Mr. Studebaker expressed his concern about the lack of redundancy on power lines coming into Ferry County. The Bonneville Power line across Sherman is the only source of power for most of the county. He shared with the Board his discussions with aides at the Spokane offices of Senator Maria Cantwell and Congressman Cathy McMorris Rogers where he inquired about the possibility of receiving federal funds to construct a second line into the county. A discussion followed about funding and engineering issues. The District will contact the legislative aides to follow up.
2. Mr. Chambers inquired about the types of GenerLinks available from the District for use with generators. The GenerLink that is available for purchase or lease from the District is the 40 amp model. While there are multiple models, it is more cost effective to stock parts for one model.

**Reports:**

The Engineer/Superintendent's Report was presented by Steve VanSlyke:

1. The tree trimming crew is staying busy. They also helped the Nespelem Valley Electric Co-op with some trees burned during this summer's fires. The District will be reimbursed for their work.
2. Power outages were down slightly in 2015 compared to 2014 although the composition was different. There were more outages caused by animals and birds, while the number caused by storms were down. The 2012 wind storm and tree trimming work has reduced the number of weak trees near lines.
3. A used Hyster fork lift has been purchased for \$17,000. It will be used to for lifting substation transformers and heavy reels of wire. Current equipment is being damaged by lifting loads that exceed their capacity.
4. General plant maintenance is on-going. The solar bay has been cleaned up.

Mr. VanSlyke was thanked for this time and he exited the meeting at 9:45 a.m.

The Board went into Executive Session as per RCW 42.30.110 Subsection 1, paragraph i at 9:46 a.m. for twenty minutes for the purpose of discussing pending litigation. The Board returned to Regular Session at 10:02 a.m. and went into Executive Session for an additional ten minutes. The Board returned to Regular Session at 10:12 a.m.

A recess was called at 10:13 a.m. with the meeting reconvening at 10:20 a.m.

Attorney Graham had no additional report to present.

The Manager's Report was presented by John Friederichs:

**Correspondence:**

1. Letters have been received from American Tower wishing to buy or lease the District's lease for Verizon towers. The commissioners were not interested in the proposal and Attorney Graham thought that it would not be legal to do so.

**Meetings:**

1. Commissioners Fagerlie and Kroupa, and Manager Friederichs attended the WPUDA Legislative meeting in January. I-732, a pending carbon tax initiative was covered at the meeting.
2. Commissioner Kroupa will be attending the February WPUDA meeting in Olympia instead of Commissioner Fagerlie.
3. Commissioner Fagerlie will attend the Tri County Economic Development District meeting on January 27<sup>th</sup>.

**General Business:**

1. The right-of-way on the Bonneville Power line across Sherman was discussed. Ferry and Stevens County Commissioners, along with the Ferry County Sheriff, have joined the District in requesting that the US Forest Service and the DNR extend the easements for the power lines so that an adequate buffer can be maintained by Bonneville to prevent trees falling on the lines.
2. A brief discussion was held about future power contracts with Bonneville Power.
3. Energy Northwest will be doing a study to see whether solar and/or voltage regulation projects may benefit the District during peak usage.

Conservation information was presented by Manager Friederichs:

- 1. No activity in the program.

Commissioners:

Commissioner Kroupa:

- 1. Attended the WPUDA meeting in Olympia and presented information.

Commissioner Aubertin:

- 1. Attended no outside meetings.

Commissioner Fagerlie:

- 1. Attended the January WPUDA meeting and presented information.

The Board’s representation to the various Trade Organizations for the 2016 year was presented for discussion. A motion was made by Commissioner Kroupa to keep Trade Organization representation as presented. The motion was seconded by Commissioner Aubertin and unanimously carried.

WA P.U.D. Association	Fagerlie/Kroupa
P.U.D. Roundtable	Fagerlie/Kroupa
Energy Northwest	Aubertin/Kroupa
NWPPA	Aubertin/Fagerlie
P.P.C.	Kroupa**/Fagerlie
N.R.U.	Kroupa**/Fagerlie
TEDD	Fagerlie/Aubertin
Packwood Owners	Friederichs
WA Association of P.U.D. Attorneys	Graham
Revolving Loan/Grant Committee	Kroupa/Aubertin/Fagerlie
	**Attendance of quarterly meetings only

Rescheduling the February Board Meeting was discussed. A motion was made by Commissioner Fagerlie to hold the meeting on Tuesday, February 16. The motion was seconded by Commissioner Aubertin and unanimously carried.

The Treasurer’s Report was presented by Pam Allen:

- 1. Operating Funds available as of January 10, 2016 were \$1,791,082.56 with restricted funds of \$2,926,284.93. There were twenty outages in the month of December for a year-to-date total of two hundred compared to two hundred-seven for the same period in 2014. The Large Power Summary, Revolving Loan and Line Extension Loan reports were reviewed.

The Auditor’s Report was presented by Sue Nush:

- 1. The voucher listing was reviewed with the Board and questions answered. Warrants Numbers 13354 through 13436 direct payroll deposits numbers 903131 through 903169, Electronic Fund Transfer numbers 378 through 380 and 382 in the total amount of \$827,524.81 were approved by a motion made by Commissioner Kroupa, seconded by Commissioner Aubertin and unanimously carried.
- 2. The Financial and Statistical Report was reviewed by the Board with questions answered.
- 3. The upcoming State Auditor’s Exit conference was discussed. The State Auditor’s office has not replied yet about a date for the conference.

The meeting recessed at 11:55 a.m. for lunch reconvening at 1:00 p.m.

With nothing further to come before the Board, the meeting adjourned at 1:03 p.m.

BOARD OF COMMISSIONERS  
Public Utility District Number One  
Ferry County, Washington

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President

\_\_\_\_\_  
Vice-President

ATTEST:

\_\_\_\_\_  
Secretary

APPROVED:

\_\_\_\_\_  
Manager