

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

The regular meeting of the Board of Commissioners was called to order by President Dan Fagerlie at 9:01 a.m. Present were Commissioners Dan Fagerlie, Chris Kroupa and Doug Aubertin, Attorney Graham, Manager John Friederichs, Auditor Sue Nush, Engineer/Superintendent Steve VanSlyke, Treasurer Pam Allen, and Deputy Treasurer Kammers.

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

Visitors: None.

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

Reports:

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

1. The scheduled BPA outage went well and power was restored half an hour early. During the outage PUD crews replaced a power pole near the Curlew Store, and restored the 3 phase line over the Curlew Bridge. This work was needed for the Curlew Sewer Project.
2. Replacement regulators have been ordered and should arrive in September.
3. A contractor will be on-site in August to inspect the regulators at the Job Corps Substation for damage. A discussion followed regarding the upcoming closure of the Buckhorn Mine and what would happen to the line feeding it.
4. During the BPA outage, Verizon Wireless did have issues with their generator, which temporarily took down the dispatch radio. PUD staff used one of the Utility's generators to get things running again. The sheriff's office will be working with Verizon to ensure this doesn't happen in the future.
5. A member of the Republic City Council talked with Commissioner Fagerlie after the previous meeting and indicated at that time that they had only discussed trimming the elm trees near the Stonerose Interpretive Center, not cutting them down. The written request received from Mayor Koontz asked for the trees to be removed. City crews were supposed to handle the clean up afterwards.

Mr. VanSlyke was thanked for his time and he exited the meeting at 9:27 a.m.

The Board went into Executive Session as per RCW 42.30.110 Subsection 1, paragraph i at 9:27 a.m. for fifteen minutes for the purpose of discussing pending litigation. The Board returned to Regular Session at 09:42 a.m.

The Attorney's Report was presented by Steve Graham:

1. A second letter was sent to the customer who has stopped paying on his line extension loan but no reply has been received yet. The Board agreed to give him more time and will re-visit the situation in September.

A discussion followed about trunk lines being extended into new development areas. The PUD may not give away public funds, so line extensions cannot be built unless someone pays for them.

A fifteen minute recess was called at 10:00 a.m. with the meeting reconvening at 10:20 a.m.

The Manager's Report was presented by John Friederichs:

Correspondence:

1. A request was received asking that the PUD provide time off for union reps to attend preliminary union contract negotiations in August. This is a routine request and the union reimburses the Utility for the time off.
2. Requests for advertisement have been received from the Ferry County Fair and Wings Over Republic. The Board gave Manager Friederichs permission to proceed with both groups.
3. Received a request from Sheriff Maycumber asking that either Manager Friederichs or Engineer/Superintendent VanSlyke attend the first meeting of the Multi-Hazard Mitigation Committee.

Meetings:

1. Deputy Treasurer Kammers will be attending Notary Public training in Spokane this week.
2. Commissioner Kroupa and Manager Friederichs will be attending NRU and PPC meetings in Portland in August. The Utility's contract with Bonneville Power will be discussed.

General Business:

1. Staff received positive feedback about the outage picnic held at the fairgrounds.
2. Manager Friederichs will attend another meeting regarding the possibility of receiving a grant to provide LED light fixtures for the City of Republic.
3. The Utility will be receiving a car charging station from Plug-In North Central Washington. It will be located on the parking strip next to the main PUD office. Republic will then be listed on travel maps as having a charging station, which may attract some tourists to the area.
4. Preliminary staff meetings have begun for the 2017 budget process.

Conservation:

1. Given the limited uses allowable, the Utility will not be able to use all of the BPA conservation funds for this cycle.

General Business:

5. Resolution 16-05 "A Resolution Authorizing Agents for Night Depository Agreement" was adopted by a motion made by Commissioner Kroupa, seconded by Commissioner Aubertin and unanimously carried. This updates the names of employees authorized to handle night depository bags.

Manager Friederichs exited the meeting at 11:26 a.m., and returned at 11:29 a.m.

Commissioners:

Commissioner Kroupa:

1. Commissioner Kroupa did not have anything to report but did ask the other commissioners to forward any question to him they had regarding the Utility's contract with Bonneville Power as that would be a topic of discussion during the August meetings that he and Manager Friederichs would be attending in Portland.

Commissioner Aubertin:

1. Will be attending an Energy Northwest meeting next week in the Tri-Cities.

Commissioner Fagerlie:

1. Distributed copies of a data privacy act template received at the WPUDA meeting. The District needs to have a policy in place in October, by law.
2. The Low Density Discount was discussed and how pole miles have been re-defined. Some utilities are dealing with money owed because of how it was calculated in the past.

Attorney Graham exited the meeting at 11:51 a.m., returning at 11:53.

The meeting recessed for lunch at 11:51 a.m. and reconvened at 1:02 p.m. Manager Friederichs joined the meeting at 1:07 p.m.

The Treasurer's Report was presented by Pam Allen:

1. Operating Funds available as of July 10, 2016 were \$2,242,157.48 with restricted funds of \$2,968,929.69. There were 21 outages in the month of June for a year-to-date total of 79 compared to 95 for the same period in 2015. 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 Number 13913 through 14003, direct payroll deposits number 903364 through 903404, and Electronic Fund Transfers number 409 through 412, in the total amount of \$546,467.99 were approved by a motion made by Commissioner Kroupa, seconded by Commissioner Aubertin and unanimously carried.
2. Auditor Nush distributed copies of the 2017 Budget time line. Commissioner Kroupa suggested a meeting with Kinross to get a better idea of their future load.
3. Copies of the existing District Business/Travel Expense Policy were distributed.

With nothing further to come before the Board, the meeting adjourned at 1:42 p.m.

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

President

Vice-President

ATTEST:

Secretary

APPROVED:

Manager