

PUBLIC UTILITY DISTRICT NO. 1 OF FERRY COUNTY
REGULAR MEETING OF COMMISSIONERS
August 17, 2015

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 and Chris Kroupa, Manager John Friederichs, Attorney Steve Graham, Auditor Sue Nush, Engineer/Superintendent Steve VanSlyke and Treasurer Jayne Jurgensen. Commissioner Aubertin was unable to attend due to the uncontrolled wildfire near his home.

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

Visitors: None

The minutes of the July meeting were approved by a motion which was made by Commissioner Kroupa seconded by Commissioner Fagerlie and unanimously carried.

Those present discussed the recent outage that occurred when an uncontrolled wildfire was in the Bonneville Power Transmission Line right-of-way.

Reports:

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

1. The crew has been dealing with fire issues. A potentially serious problem was skirted when the Bonneville outage was repaired and the fire in the right-of-way was favorably dealt with by the Forest Service.
2. The generator, provided by Echo Bay, and located at the Republic Schools, has been tested and is ready for use.
3. The proposal to update the types of outdoor lighting offered to customers was discussed. The Rate Schedule information will be developed and presented at a future Board meeting.
4. The crew's response to after-hours call-outs was discussed. To date, the new plan is working quite well.

Mr. VanSlyke exited the meeting at 9:24 a.m.

The Board went into Executive Session as per RCW 42.30.110 Subsection 1, paragraph i at 9:24 a.m. for ten minutes for the purpose of discussing potential litigation. The Board returned to Regular Session at 9:34 a.m.

Attorney Graham had no additional report to present.

The Manager's Report was presented by John Friederichs:

Correspondence:

1. There was no correspondence received during the month to present and discuss.
2. The Board briefly discussed a "Letter to the Editor" regarding the annual Bonneville Power Outage picnic.

Meetings:

1. Commissioner Fagerlie and Manager Friederichs will attend the September WPUDA meeting to be held in Wenatchee hosted by Chelan County P.U.D.

General Business:

1. The Bonneville right-of-way outage, caused by the Graves Mountain Fire, was again discussed. The Forest Service now has several crews working on the fire.
2. Two Union positions will be posted to be filled. One is the Crew Line Foreman and the other is the Serviceman. Both positions have been filled on a temporary basis and this can only be done for a six-month period. Both positions will be filled effective October 1, 2015.
3. An update on the meeting with IBEW Representative regarding the tree trimming crew positions was presented. The Utility will advertise to fill the positions for this crew. There may again be the need to hire a temporary person for the summer to work with the crew as a groundman to remove debris. An individual was hired for this summer work season and has been a help to the crew.
4. Manager Friederichs, Auditor Nush and Deputy Auditor Kuehne attended a CUIP meeting to learn more about the direction from the Washington State Department of Retirement Systems regarding short-term leave and how to correctly calculate retirement benefits.
5. The Treasurer and Deputy Treasurer positions were discussed. A new position description will be developed for the Deputy Treasurer position to add compliance monitoring duties.
6. There is the possibility that the local hospital will be able to partner with the Utility in providing Wellness type testing.
7. The Utility's new B.P.A. Transmission Representative is Mr. Dana Wolfe.

The Conservation Report was presented by Manager Friederichs:

1. The Conservation program continues to move along.
2. Items for the Fair Booth have arrived.

A recess was called at 10:17 a.m. with the meeting reconvening at 10:37 a.m.

Manager Friederichs reported that he has just been advised that Bonneville Power will fly the transmission line over Sherman again during the day.

Commissioners:

Commissioner Kroupa:

1. An update on the PPC and NRU meetings in Portland was presented

Commissioner Fagerlie:

1. Attended no outside meetings.

The Treasurer's Report was presented by Jayne Jurgensen:

1. Operating Funds available as of August 10, 2015 were \$2,891,689.53 with restricted funds of \$2,131,129.57. There were twenty-seven outages in the month of July for a year-to-date total of One hundred twenty-two compared to eighty-seven for the same period in 2014. The Large Power Summary, Revolving Loan and Line Extension Loan reports were reviewed.
2. A proposal to change the new customer account guarantor process was presented. After discussion, a motion was made by Commissioner Kroupa to reduce the number of days a guarantor must wait, after notifying the Utility that they no longer wish to guarantee an account, to have their name removed from the account to fifteen from forty. The motion was seconded by Commissioner Fagerlie and unanimously carried.

A recess was called at 11:13 a.m. with the meeting reconvening at 11:16 a.m.

The Auditor's Report was presented by Sue Nush:

1. The voucher listing was reviewed with the Board and questions answered. Warrants Numbers 12885 through 12987 direct payroll deposits numbers 902922 through 902964, Electronic Fund Transfer numbers 352 through 354 and void warrant number 12242 in the total amount of \$521,277.36 were approved by a motion made by Commissioner Kroupa, seconded by Commissioner Fagerlie and unanimously carried.
2. The Financial and Statistical Report was reviewed by the Board with questions answered.
3. The Bonneville Power Rate Impact Model was discussed.

Manager Friederichs exited the meeting at 11:52 a.m. returning at 11:55 a.m. He reported that he had just been contacted by the Seattle Times regarding the fires.

The meeting recessed at 12:00 noon for lunch reconvening at 1:10 p.m.

Auditor Nush continued her report:

4. The 2016 Preliminary Budget Workshop was held.
5. A public rate hearing will not be held in September. At the present time, one will most likely be scheduled for October.

Commissioner Fagerlie reported that he would attend the annual Energy Northwest Member Forum in October. Manager Friederichs added that he too would attend.

With nothing further to come before the Board, the meeting adjourned at 1:52 p.m.

PUBLIC UTILITY DISTRICT NO. 1 OF FERRY COUNTY
EMERGENCY MEETING OF COMMISSIONERS
August 26, 2015

The Emergency Meeting was called to order by President Dan Fagerlie at 12:50 p.m. for the purpose of declaring a state of emergency due to the uncontrolled wildfires in the Utility Service Territory. Present were Commissioners Fagerlie and Doug Aubertin via telephone and Auditor Sue Nush.

A motion to Declare a State of Emergency for P.U.D. #1 of Ferry County due to the uncontrolled wildfires and authorizing Steve VanSlyke and Sue Nush to take any necessary actions needed to deal with the situation, was made by Commissioner Aubertin, seconded by Commissioner Fagerlie and unanimously carried.

A discussion of general fire safety and conditions was held.

The Emergency Meeting was adjourned at 1:05 p.m.

Commissioner Kroupa did call the office at 3:48 p.m. with Auditor Nush advising him of the action taken by fellow board members. Commissioner Kroupa concurred with their decision.

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

President

ATTEST:

Vice-President

Secretary

APPROVED:

Manager