

PUBLIC UTILITY DISTRICT NO. 1 OF FERRY COUNTY
REGULAR MEETING OF COMMISSIONERS
August 21, 2017

The regular meeting of the Board of Commissioners was called to order by President Chris Kroupa at 9:02 a.m. Present were Commissioners Chris Kroupa, Dan Fagerlie and Doug Aubertin, Manager John Friederichs, Attorney Steve Graham, Engineer/Superintendent Steve VanSlyke, Auditor Sue Nush, and Treasurer Pam Allen.

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

Visitors: Nathan Shiflett Jr.

The minutes of the July meeting and the August special meeting were approved by a motion made by Commissioner Aubertin seconded by Commissioner Fagerlie and unanimously carried.

Public Comments: Commissioner Fagerlie was asked about rate increases at the Utility. Ferry County PUD has not raised rates but will be holding rate hearings later this year.

Visitor Nathan Shiflett Jr. informed the Board that he is interested in the manager's position, as Manager Friederichs is retiring next year. Commissioner Kroupa thanked him for his interest and said that the Board will begin to advertise the position soon.

Reports:

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

1. The District's vegetation management was discussed. Priority is given to maintaining the right of way.

A recess was called at 9:13 a.m. for 5 minutes. The meeting reconvened at 9:15 a.m.

2. A team from Job Corps removed the stairs to the front of the District office and rebuilt the supporting walls underneath the entryway. New metal stairs will be installed. Additional repair work to the building is scheduled.
3. The rebuilt transformers for the Windsor substation are here and will be reinstalled within the next month.
4. A bid has been accepted to enclose open bays at the District shop.
5. Mr. VanSlyke questioned the Board about purchasing supplies. He has been using existing inventory instead of purchasing new stock and does not want to totally deplete stores. The Board responded that they do not want to run out of supplies, and inventory levels should be maintained to prevent that from happening. The Utility needs to be able to maintain the system.

There was no attorney's report to present.

The Board went into Executive Session as per RCW 42.30.110 Subsection 1, paragraph i at 9:26 a.m. for ten minutes for the purpose of discussing pending litigation. The Board returned to Regular Session at 9:36 a.m., and immediately when back into Executive Session for another ten minutes. The Board returned to regular session at 9:46 a.m.

A recess was called at 9:46 a.m. for 20 minutes. The meeting reconvened at 10:11 a.m.

The Manager's Report was presented by John Friederichs:

Correspondence:

1. An invitation was received for a legislative luncheon in Colville in October. All three commissioners and Manager Friederichs will attend.
2. An application was received from Rural Resources to continue participation in their Energy Assistance Program.
3. WPUDA sent a survey regarding pole attachments.

Meetings:

1. Commissioner Fagerlie will attend the WPUDA meeting in September, and a TEDD meeting in Colville this week.

General Business:

1. BPA has notified Manager Friederichs that they should not have to schedule an outage for at least the next three years. Remaining maintenance work can be done without taking the power down.

A recess was called at 10:36 a.m. for 5 minutes. The meeting reconvened at 10:41 a.m.

2. A rate impact model was received from BPA detailing their expected rate increase which will go into effect October 1st. Historically, the actual increase they charge to the District is higher than their rate impact model increase.

There was no Conservation Report to present.

The commissioners presented information from meetings they attended since the last Board Meeting. WPUA requested donations for a fund-raising auction at their September meeting. Commissioner Kroupa has donated a set of his pottery canisters.

The Treasurer's Report was presented by Pam Allen:

1. Operating Funds available as of August 10, 2017 were \$2,728,830.99 with restricted funds of \$3,066,181.75. There were 21 outages in the month of July, for a year-to-date total of 88 compared to 95 for the same period in 2016. The Large Power Summary, Revolving Loan and Line Extension Loan reports were reviewed.

The Board recessed for lunch at 11:50 a.m. and reconvened at 01:05 p.m.

Washington State's new Renewable Energy System Incentive Program, which may provide incentive payments to some solar customers, was discussed at length. Since this replaces the old incentive program, the Utility will have to sign up for it for new customers to enroll. Participation in the new program was approved by a motion made by Commissioner Fagerlie, seconded by Commissioner Kroupa and unanimously carried.

The Auditor's Report was presented by Sue Nush:

1. The voucher listing was reviewed with the Board and questions answered. Cost and usage graphs were reviewed.
2. Warrants number 15049 through 15140 and 16000 through 16009, Direct Payroll Deposits number 903878 through 903914 and Electronic Fund Transfers number 474 through 480, in the total amount of \$696,507.23 were approved by a motion made by Commissioner Fagerlie, seconded by Commissioner Aubertin and unanimously carried.

Attorney Graham exited the meeting at 1:29 p.m. and rejoined the meeting at 1:35 p.m.

3. Auditor Nush and Deputy Treasurer Kammers attended training in Cheney in August on Public Records and Open Public Meetings. Auditor Nush provided the group with an update on new requirements under the Public Records Act.

Cowlitz County PUD is requesting a reduction in their load forecast with BPA. This could result in costs being pushed on to this Utility, along with other BPA customers. After discussion, the Board directed Manager Friederichs to contact BPA and support option three, allowing for liquidated damages.

With no further business to discuss, the meeting adjourned at 1:54 p.m.

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

President

Vice-President

ATTEST:

Secretary

APPROVED:

Manager