

PUBLIC UTILITY DISTRICT NO. 1 OF FERRY COUNTY
REGULAR MEETING OF COMMISSIONERS
December 19, 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 Dan Fagerlie, Chris Kroupa and Doug Aubertin, Attorney Steve Graham, Manager John Friederichs, Auditor Sue Nush, Engineer/Superintendent Steve VanSlyke, and Treasurer Pam Allen.

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

Visitor: Daryl Fritts

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

Mr. Fritts addressed the Board about a high electric bill. He was not living at the location during the period in question and said that the main breaker was switched off for most of that time. Since he was not reading the meter each month, there is no way to know if the load was gradual over each month or was one big load. Engineering Technician Ed Forsman joined the meeting at 9:13 a.m. to discuss the energy audit he performed for Mr. Fritts. Mr. VanSlyke will have the meter pulled and tested, and replaced with a new one. If the meter is working correctly, Mr. Fritts will be responsible for the usage and will be allowed to make payment arrangements on the amount owed.

Mr. Fritts and Mr. Forsman exited the meeting at 9:33 a.m.

A fifteen minute recess was called at 9:33 a.m. with the meeting reconvening at 9:48 a.m.

Reports:

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

1. The crew continues to do maintenance work and pole replacement.
2. Service is being installed on Franson Peak for T-Mobile.
3. The pole near the Curlew library that was knocked down during the road work done for the Sewer Project was an old overhead guy pole that had been disconnected in the past. The crew cleaned up the area.

Attorney Graham exited the meeting at 9:51 a.m., rejoining it at 9:52 a.m.

The Board went into Executive Session as per RCW 42.30.110 Subsection 1, paragraph i at 9:58 a.m. for fifteen minutes for the purpose of discussing pending litigation. The Board returned to Regular Session at 10:13 a.m.

Mr. VanSlyke was thanked for his time and exited the meeting at 10:13 a.m.

The Attorney's Report was presented by Steve Graham:

1. A letter was sent to a customer who has stopped paying on his line extension loan, but there has been no response yet. The Board directed Attorney Graham to send another letter by certified mail with a copy of the foreclosure paperwork, and to arrange for the sheriff's office to deliver another copy to ensure that he receives it.

The Manager's Report was presented by John Friederichs:

Correspondence:

1. A letter was received from the Republic Regional Visitors and Convention Bureau asking the Utility for sponsorship. Given current budgetary restrictions, the Board declined to do so.

Meetings:

1. Manager Friederichs attended a meeting about the need to remodel the high school. The District may be able to use part of its BPA conservation credit to help with a remodel. The Board was agreeable as long as some of the credit remained for use by other customers.
2. Commissioners Fagerlie and Kroupa, and Manager Friederichs will attend the January WPUDA meeting and legislative reception in Olympia.
3. Commissioner Kroupa will attend PPC and NRU meetings in Portland the first week of February.
4. Commissioner Fagerlie will attend a TEDD meeting in Colville.

General Business:

1. Discussion on the 2017 budget was deferred until after the Auditor's Report.

Conservation:

1. No separate conservation report was given besides the previous discussion on the proposed high school remodel.

The commissioners presented information from meetings they attended since the last Board Meeting.

Commissioner Aubertin left the meeting at 10:56 a.m., returning at 11:00 a.m.

The Treasurer's Report was presented by Pam Allen:

1. Operating Funds available as of December 10, 2016 were \$1,930,952.48 with restricted funds of \$3,006,375.28. There were 18 outages in the month of November for a year-to-date total of 141 compared to 180 for the same period in 2015. The Large Power Summary, Revolving Loan and Line Extension Loan reports were reviewed.

Manager Friederichs left the meeting at 11:16 a.m., returning at 11:20 a.m.

The Auditor's Report was presented by Sue Nush:

1. The voucher listing was reviewed with the Board and questions answered. Warrants Number 14394 through 14479, direct payroll deposits number 903568 through 903606, and Electronic Fund Transfers number 434 through 436 and 438, in the total amount of \$705,843.37 were approved by a motion made by Commissioner Kroupa, seconded by Commissioner Aubertin and unanimously carried.

Attorney Graham exited the meeting at 11:39 a.m. and returned at 11:44 a.m.

The preliminary 2017 budget was discussed. Auditor Nush made minor changes to assumptions on residential revenue to better reflect 2016 actuals. Benefit rates were increased as new information was received from the state. The proposed budget is 4% lower than 2016 but will require existing G&O Funds to cover all of the expenditures.

The Board recessed for lunch at 12:03 p.m. and reconvened at 1:02 p.m.

Discussion of the preliminary 2017 budget resumed. Commissioner Kroupa moved to accept the 2017 Budget as presented. Commissioner Aubertin seconded the motion, and it carried unanimously.

The Board recessed at 1:04 p.m. and reconvened at 1:11 p.m.

With no further business to discuss, the meeting adjourned at 1:15 p.m.

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

President

Vice-President

ATTEST:

Secretary

APPROVED:

Manager