

PUBLIC UTILITY DISTRICT NO. 1 OF FERRY COUNTY
REGULAR MEETING OF COMMISSIONERS
August 19, 2019

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, Manager Steve VanSlyke, Superintendent Mike Brown, Auditor Sue Nush, and Treasurer Pam Allen.

All stood for the Flag Salute.

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

There were no public comments.

Reports:

The Superintendent's Report was presented by Mike Brown:

1. The tree crew has been focusing on danger trees near lines. Superintendent Brown has also been out patrolling lines to look for problem trees. He encouraged anyone who sees one to report it to the Utility.
2. The crew has been replacing deficient poles, along with doing their regular work. They are continuing to replace some of the old underground cable.
3. Superintendent Brown and Manager VanSlyke inspected the Franson Peak repeater building. The Border Patrol has installed a new backup generator and the Sheriff's office has a new battery backup. The District may want to put in some backup batteries as well.
4. Work continues on the Keller AMI Project. We are currently waiting on the new meters to arrive.

The Manager's Report was presented by Steve VanSlyke:

1. Stonerose contacted Attorney Graham and said that they have decided not to pursue a loan from the Revolving Loan/Grant fund.
2. Resolution 19-06, A Resolution Authorizing Agents for Depository Agreement, was presented to the Board. Commissioner Kroupa made a motion to approve the resolution, Commissioner Aubertin seconded the motion and it unanimously carried.
3. A customer requested that Manager VanSlyke ask the Board for an exception to the policy of having to make twelve straight payments in full and on time before a customer's security deposit is applied to their account. The customer thought that he had made a payment in July, but the District could find no evidence of the payment. The Board did not want to deviate from this policy. If it is found that the payment was made but misapplied, the District will adjust his account.
4. The upcoming County Fair was discussed.

The scheduled budget amendment hearing was held. At last month's meeting, the Board approved Phase I of upgrading to AMI meters. This will upgrade meters on the Kuehne substation and will cost an estimated \$50,000 for the meters and collection equipment, and the labor to install them. Resolution 19-07, A Resolution Authorizing an Amendment of the 2019 Budget, was presented to the Board. Commissioner Kroupa made a motion to approve the resolution, Commissioner Aubertin seconded the motion and it unanimously carried.

A recess was called from 10:13 a.m. until 10:35 a.m. The meeting resumed at 10:35 a.m.

The commissioners presented information from meetings they attended since the last Board Meeting. Commissioner Kroupa attended NRU and PPC meetings in Portland, Commissioner Aubertin attended a board meeting for Energy Northwest, and Commissioner Fagerlie attended the monthly WPUDA meeting. They shared information from each.

Attorney Graham joined the meeting at 10:59 a.m.

The Attorney's Report was presented by Steve Graham.

1. The discussion continued about the District booth at the County Fair.
2. Attorney Graham repeated that Stonerose is no longer interested in a loan.

The Board went into Executive Session as per RCW 42.30.110 Subsection 1, paragraph i at 11:31 a.m. for fifteen minutes for the purpose of discussing pending litigation. The Board returned to regular session at 11:46 a.m.

The Treasurer's Report was presented by Pam Allen:

1. Operating Funds available as of August 10, 2019 were \$3,271,105.26 with restricted funds of \$2,911,542.59. There were 20 outages in the month of July, for a year-to-date total of 75 compared to 158 for the same period in 2018. The Large Power Summary, Revolving Loan and Line Extension Loan reports were presented.

The Board recessed for lunch at 11:59 a.m. The meeting resumed at 1:00 p.m.

The scheduled rate hearing for Street Lights was held. Since the City of Republic got a grant to replace their street lights, new classifications and rates are needed. This affects only city street lights, not residential yard lights. The new rates will go into effect on September 1, 2019.

Resolution 19-05, A Resolution Expanding Street Lighting Rate Categories, was presented to the Board. Commissioner Kroupa made a motion to approve the resolution, Commissioner Aubertin seconded the motion and it unanimously carried.

Commissioner Aubertin exited the meeting at 1:08 p.m. and returned at 1:15 p.m.

The Auditor's Report was presented by Sue Nush:

- 1. Auditor Nush reported that the District received the 2018 Fuel Mix Market Summary from the State. 86.47% of Ferry County PUD's electricity was provided by hydropower, 10.75% from nuclear, and 2.77% from undefined market.
- 2. The Board was given unaudited copies of the 2015, 2016, 2017, and 2018 annual reports.
- 3. The voucher listing was presented to the Board.
- 4. Warrants number 18109 through 18210, Direct Payroll Deposits number 904787 through 904828, and Electronic Fund Transfers number 606 through 612 and 615, in the total amount of \$556,841.09 were approved by a motion made by Commissioner Kroupa, seconded by Commissioner Aubertin and unanimously carried. Included in the listing were warrant numbers 18189 through 18191 which were voided prior to release.
- 5. Cost and usage graphs were presented and discussed.
- 6. State auditors contacted the District today to change the start date of their audit from August 20th to September 9th.

With no other business before the Board, the meeting adjourned at 2:04 p.m.

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

President

Vice-President

ATTEST:

Secretary

APPROVED:

Manager