

PUBLIC UTILITY DISTRICT NO. 1 OF FERRY COUNTY
REGULAR MEETING OF COMMISSIONERS
October 21, 2019

The regular meeting of the Board of Commissioners was called to order by President Dan Fagerlie at 9:04 a.m. Present were Commissioners Dan Fagerlie, Chris Kroupa and Doug Aubertin, Attorney Steve Graham, Manager Steve VanSlyke, Superintendent Mike Brown, Auditor Sue Nush, and Treasurer Pam Allen.

All stood for the Flag Salute.

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

Commissioner Fagerlie was contacted about solar incentive payments. He directed the ratepayer to Auditor Nush. She said that the issue was being handled.

Reports:

The Superintendent's Report was presented by Mike Brown:

1. The crew has been working on new construction. They went back to install the transformer on the Bodie Mountain Project and found that one of the contractors had dug into the underground cable that was installed. The crew will have to find the fault and splice it.
2. Improvements are almost complete at the Strassburg Substation.
3. The District has contractor Todd Young working to clear brush in some right of ways.
4. Work continues on the Keller AMI Project.
5. The Stop the Bleed Training in October was well attended. It covered the use of tourniquets and wound packing.

The Attorney's Report was presented by Steve Graham:

1. The group discussed Section 12 of the recently passed SB 5116, the Clean Energy Transformation Act. Treasurer Allen shared information she received at a recent WPUDA Roundtable. By 7/31/20, utilities must provide the Washington State Department of Commerce with demographic information on customers receiving energy assistance. The Department of Commerce and the UTC will then establish guidelines for low income energy assistance programs that must be established by all utilities. What it will cost ratepayers in this District is unknown at this time.

The Board went into Executive Session as per RCW 42.30.110 Subsection 1, paragraph i at 9:45 a.m. for ten minutes for the purpose of discussing pending litigation. The Board returned to regular session at 9:55 a.m.

2. Attorney Graham informed the Board that he has negotiated a settlement in the case of Eric Hood versus Ferry County Public Utility District #1. The District's insurance company and the plaintiff have agreed to a settlement of \$11,500. Attorney Graham's recommendation is that the Board accept this and settle the lawsuit. Commissioner Aubertin made a motion to accept Attorney Graham's recommendation to settle. Commissioner Kroupa seconded the motion, and it unanimously carried.

A recess was called from 9:58 a.m. to 10:20 a.m. The meeting resumed at 10:20 a.m.

The Manager's Report was presented by Steve VanSlyke:

1. Manager VanSlyke submitted copies of work orders reviewed by Power Engineers to Commissioner Fagerlie for his approval as Board President.
2. Manager VanSlyke updated the group on the status of the State audit. Auditors are no longer on-site and are working remotely to finish things up.
3. Gateways have been programmed for the Keller AMI Project. The District is still waiting for additional meters needed to complete the work.
4. The mural panels on the south side of the District office building have been taken down. Repair options are being investigated, as the paint has been severely damaged by the elements.
5. A conference call is scheduled for this Friday with SEDC about the Utility converting to their new web-based Meridian program. SEDC will eventually stop supporting the UPN version the District is currently using.
6. A legislative luncheon in Colville in November hosted by Pend Oreille PUD was discussed. Commissioners Kroupa and Aubertin will attend, along with Manager VanSlyke.
7. The TV Association of Republic has applied for a grant to extend their fiber north to Curlew and the Job Corps and are inquiring about a loan from the Revolving Loan/Grant Fund for their matching portion. A meeting of the Loan Committee will be scheduled for next month. A brief discussion followed about possible candidates for the open position on the Committee. Manager VanSlyke will contact them to see if they are interested in serving.

Attorney Graham exited the meeting at 11:15 a.m.

Resolution 19-08 A Resolution to Cancel Unclaimed Warrants was presented to the Board. Commissioner Kroupa made a motion to approve the resolution, Commissioner Aubertin

seconded the motion and it unanimously carried.

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

The Treasurer's Report was presented by Pam Allen:

1. Operating Funds available as of October 10, 2019 were \$3,183,710.11 with restricted funds of \$2,923,564.18. There were 17 outages in the month of September, for a year-to-date total of 119 compared to 186 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 11:55 a.m. The meeting resumed at 1:01 p.m.

Auditor Nush led the scheduled 2020 Budget Hearing. She discussed with the Board how she arrived at figures in the proposed budget. No substantial changes are expected from 2019. Some numbers still need to be firmed up, but no rate increase should be needed in 2020. No vote was taken on the Budget at this time.

The Auditor's Report was presented by Sue Nush:

1. The voucher listing was presented to the Board.
2. Warrants number 18302 through 18408, Direct Payroll Deposits number 904870 through 904910, and Electronic Fund Transfers number 621 through 629, in the total amount of \$593,896.41 were approved by a motion made by Commissioner Kroupa, seconded by Commissioner Aubertin and unanimously carried. Included in the listing was warrant number 18255 in the amount of \$80.00 which was voided and re-issued, as well as warrants number 18379, 18403, and 18404 which were voided prior to release.
3. Cost and usage graphs were presented and discussed.

With no other business before the Board, the meeting adjourned at 1:40 p.m.

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

President

Vice-President

ATTEST:

Secretary

APPROVED:

Manager