

PUBLIC UTILITY DISTRICT NO. 1 OF FERRY COUNTY
REGULAR MEETING OF COMMISSIONERS
May 21, 2018

The regular meeting of the Board of Commissioners was called to order by President Chris Kroupa at 9:01 a.m. Present were Commissioners Chris Kroupa and Dan Fagerlie, Attorney Steve Graham, Interim Manager Steve VanSlyke, Superintendent Mike Brown, Auditor Sue Nush, and Treasurer Pam Allen. Commissioner Aubertin was absent, representing the District at the NWPPA Annual Conference in Boise.

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

Visitors: None.

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

Commissioner Fagerlie was contacted by a customer about the rate hearing scheduled for today's meeting. He explained to them that it was only for fees charged for public record requests.

Reports:

The Superintendent's Report was presented by Mike Brown:

1. The outage on May 5th was caused by an insulator that flashed over at BPA's Republic Substation. They put a temporary repair in place and will do a permanent repair during their planned outage on July 28th. BPA will have the power off from 10:00 a.m. to 4:00 p.m. that day.
2. The crew is working on pole replacements.
3. Alamon Utility Services will be here in June to test poles.
4. After flooding on the Kettle River recedes, the crew will assess damage and do repairs.
5. Marty Maycumber has been hired for the apprentice tree trimmer position.
6. Contractor bids will be sought for concrete repairs at the Windsor Substation.

The Board went into Executive Session as per RCW 42.30.110 Subsection 1, paragraph i at 9:20 a.m. for fifteen minutes for the purpose of discussing pending litigation. The Board returned to regular session at 9:37 a.m.

The Attorney's Report was presented by Steve Graham:

1. The District owns six lots in Republic that are no longer used. After discussion, it was agreed that staff will begin the process of declaring them surplus and selling them.

The Manager's Report was presented by Steve VanSlyke:

Correspondence:

1. Energy Northwest finally delivered a Demand Voltage Reduction proposal. The estimated project cost is \$144,000, plus sales tax, plus additional annual and monthly charges. The cost savings that they calculate from the project do not align with the Utility's historical BPA bills. Interim Manager VanSlyke informed them that the District is not interested at this time.

There was no Meetings Report.

General Business:

1. Interim Manager VanSlyke has completed negotiations with the union and would like to fill a new On-Call Office Support position. Commissioner Kroupa made a motion to give Interim Manager VanSlyke the option of hiring a new employee for on call office support according to the IBEW position. Commissioner Fagerlie seconded the motion and it unanimously carried.

A rate hearing was held to discuss a proposed fee schedule for public record requests pursuant to RCW 42.56.120 as amended by EHB 1595. After discussion, Resolution 18-05 "A Resolution to Set a Fee Schedule for Public Record Requests" was presented and adopted by a motion made by Commissioner Fagerlie, seconded by Commissioner Kroupa and unanimously approved.

A recess was called at 10:14 a.m. for 20 minutes. The meeting reconvened at 10:34 a.m.

General Business continued:

2. The possible use of CPA firm Moss Adams to audit the District's financial statements was discussed. Interim Manager VanSlyke will get more information on scope and cost and get back to the Board.

There was no Conservation Report.

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

1. Commissioner Fagerlie attended the WPUDA Telecom Workshop in Spokane and shared information from the meeting with the group.
2. Commissioner Kroupa attended NRU and PPC meetings in Portland. He discussed BPA spill charges and transmission issues.

The Treasurer's Report was presented by Pam Allen:

1. Operating Funds available as of May 10, 2018 were \$3,107,022.43 with restricted funds of \$3,133,479.73. There were 10 outages in the month of April, for a year-to-date total of 93 compared to 35 for the same period in 2017. The Large Power Summary, Revolving Loan and Line Extension Loan reports were presented. Attorney Graham sent a letter to a customer who has stopped repaying her line extension loan.

The Auditor's Report was presented by Sue Nush:

1. The voucher listing was presented to the Board. Cost and usage graphs were presented.
2. Warrants number 16729 through 16826, Direct Payroll Deposits number 904207 through 904243 and Electronic Fund Transfers number 519 through 525, in the total amount of \$749,884.21 were approved by a motion made by Commissioner Kroupa, seconded by Commissioner Fagerlie and unanimously carried.
3. Attorney Graham and Auditor Nush updated the Board on the status of an appeal filed with the Washington State Department of Retirement Services in 2017.

With no other business before the Board, the meeting adjourned at 11:41 a.m.

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

President

Vice-President

ATTEST:

Secretary

APPROVED:

Manager