

PUBLIC UTILITY DISTRICT NO. 1 OF FERRY COUNTY
REGULAR MEETING OF COMMISSIONERS
April 21, 2014

The regular meeting of the Board of Commissioners was called to order by President Chris Kroupa at 9:01 a.m. Present were Commissioners Kroupa and Fagerlie; Manager John Friederichs, Auditor Sue Nush, Engineer/Superintendent Steve VanSlyke, Attorney Steve Graham and Secretary/Treasurer Jayne Jurgensen. Commissioner Aubertin was not in attendance for the duration of the meeting.

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

Visitors: None

The minutes of the March were approved by a motion made by Commissioner Kroupa and seconded by Commissioner Fagerlie.

Public Comments: None

Reports:

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

1. Vandalism has occurred at the Keller Substation. Both Utility and B.P.A. equipment is housed in this area. Several of the grounding conductors were cut and removed. A report has been made to the Ferry County Sheriff's Office. B.P.A. has their own reporting that will be completed. None of the Utility's equipment was damaged - just the perimeter fencing.
2. The vegetative management contractor, Asplundh Tree Service, will begin move-in this week. The contractor also has work with Okanogan County P.U.D. and is trying to use the same crew. Work will begin shortly.
3. The last of the 2012 storm-damaged poles in the 10-Mile area have been replaced. The access road has not been placed as the permitting is still in progress with the Forest Service.

A discussion of the Utility's idle service poles along Lake Roosevelt, placed for osprey nesting, were discussed.

4. New small customers, 1200-amp services for greenhouses, are coming on-line. One in Danville and another potential in the Curlew area. A discussion followed regarding the legality of providing service to a site that is not Federally legal.
5. Apprentice, Gary Burt, is doing very well. He has completed his Camp Rilea training and passed at 100%. He will be participating in the Lineman's Rodeo and Foreman, Rick Kincaid will be a judge again.

Mr. VanSlyke was thanked for his time and exited the meeting at 9:43 a.m.

The Attorney's Report was presented by Attorney Steve Graham:

An Executive Session for fifteen minutes to discuss potential litigation as per RCW RCW 42.30.110 Subsection 1, paragraph i. was called at 9.44 a.m.

The Board returned to Regular Session at 10:00 a.m. with a recess called at this time.

The meeting reconvened at 10:14 a.m.

There was no additional Attorney's Report presented.

The Manager's Report was presented by Manager Friederichs:

Correspondence:

1. The Utility has been asked to sponsor the Prospector's Days events. A discussion followed with the Board in concurrence that the Utility would again sponsor in the amount of \$100.00
2. A request for sponsorship of the Keller Junior Rodeo has been received. The Utility will again receive ½ of an advertising panel in addition to inclusion in the program for the standard \$50. The Board was in concurrence.

Meetings:

1. B.P.A. will be holding a Transmission Meeting that is outside the regular PPC/NRU meeting schedule. Commissioner Kroupa will not attend this meeting. A brief discussion followed. Manager Friederichs will attend via telephone,
2. Manager Friederichs will attend the WPUDA Manager's meeting in May in Seattle.
3. Commissioner Fagerlie will attend the WPUDA Strategic Planning Meeting in May.
4. Commissioner Fagerlie will be unable to attend the TEDD meeting in Colville this week.
5. Deputy Treasurer, Pam Allen, is scheduled to attend a Records Retention meeting in Richland, May 29 and 30.

6. The WPUDA is sponsoring a Records Retention and Open Public Meeting workshop for elected officials. Dates for the training have not been set.
7. Commissioner Kroupa will attend the upcoming NRU and PPC meetings.

General Business:

1. The proposed updated Customer Service Policy Handbook was brought before the Board for consideration and discussion. A motion was made by Commissioner Kroupa to adopt the proposed Customer Service Handbook. The motion was seconded by Commissioner Fagerlie and unanimously carried.
2. The Utility will again be receiving Renewable Energy Credit from B.P.A. This credit will appear on the Utility's April B.P.A. billing. Auditor Nush added that the Utility's credit for 2013 was \$432.
3. The B.P.A. Power/Transmission billing was briefly discussed.

Commissioner Kroupa reported that he had visited with a potential customer regarding a grid-tied PV system. Manager Friederichs added that Ed Forsman has also spoken with the individual and he will also make contact to explain the process.

4. Information has been received from the Ferry County Prosecuting Attorney advising that sufficient information was not available to pursue charges against a customer who made threatening comments in the Utility office lobby.
5. NWPPA Voting Delegation documentation, to allow Commissioner Aubertin to vote at the Annual NWPPA Meeting, was completed as per motion duly made, seconded and carried.

The Conservation Report was presented by Manager Friederichs:

1. No information.

Commissioners:

Commissioner Kroupa:

1. Attended no outside meetings.

Commissioner Aubertin:

1. Not present.

Commissioner Fagerlie:

1. Attended the WPUDA meeting with information presented.

Resolution 14-04 "A Resolution Establishing Manager's Compensation" was presented and unanimously adopted by a motion made by Commissioner Kroupa, seconded by Commissioner Fagerlie.

The Treasurer's Report was presented by Jayne Jurgensen:

1. Non-pay disconnect process and statistics presented and discussed.

An Executive Session was called at 11:40 for ten minutes to discuss potential litigation as per RCW 42.30.110 Subsection 1, paragraph i. The meeting returned to regular session at 11:50 a.m.

The meeting recessed at 12:00 p.m. for lunch, reconvening at 1:01 p.m.

Commissioner Kroupa advised, as per Attorney Graham's advice, that he was a member of the Housing Authority Board of Directors until January 31, 2014. The Board further advised that Manager Friederichs deliver a letter to the Ferry County Board of Commissioners, President Brad Miller, advising him of the current status of the Ferry County Housing Authority accounts and the pending disconnect of service..

The Treasurer's Report was continued:

1. Operating Funds available as of March 31, 2014 were \$3,077,405.68 with restricted funds of \$1,076,052.37. There were eight outages in the month of March for a year-to-date total of twenty-one compared to forty for the same period in 2013. The Revolving Loan/Grant Fund and the High Energy Cost Loan repayment reports were reviewed.

The Auditor's Report was presented by Sue Nush:

1. The voucher listing was reviewed with the Board and questions answered. Warrants Numbers 11320 through 11413 direct payroll deposits numbers 902355 through 902389, Electronic Fund Transfer numbers 281 through 285 in the total amount of \$746,947.25 and voided warrant 11185 in the amount of \$150.59 were approved by a motion made by Commissioner Kroupa and seconded by Commissioner Fagerlie.
2. Information regarding the Utility's State Financial Audit was presented with a discussion following.

3. Budgetary information regarding the pending closure of Kinross facilities was presented with discussion.
4. Statistics regarding the Storm and Vacation Fund was presented with a lengthy discussion following. No decision was made.
5. Information regarding the Utility's long-term financial investments was presented with a discussion following. No decision was made. The Board requested additional information to be presented at the May Board Meeting.

Attorney Graham questioned whether the Board wished to proceed with Manager Friederichs' Performance Evaluation. The Board advised that he should proceed with the finalization of the document for Board signatures at the May Board Meeting.

With nothing further to come before the Board, the meeting was adjourned at 2:52 p.m.

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

President

Vice-President

ATTEST:

Excused Absence
Secretary

APPROVED:

Manager