

PUBLIC UTILITY DISTRICT NO. 1 OF FERRY COUNTY  
REGULAR MEETING OF COMMISSIONERS  
July 15, 2024

The regular meeting of the Board of Commissioners was called to order by Commissioner Kroupa at 9:00 a.m. Present in person were Commissioners Doug Aubertin and Chris Kroupa, Manager Steve VanSlyke, Superintendent Mike Brown, Auditor Sue Nush, and Treasurer Pam Allen. Commissioner Dan Fagerlie and Attorney Steve Graham joined the meeting remotely.

All stood for the Flag Salute.

The minutes of the regular June meeting were approved by a motion made by Commissioner Fagerlie, seconded by Commissioner Aubertin, and unanimously carried.

Visitors: Lawrence and Gloria Martinez

Public Comments: Commissioner Fagerlie was asked by a customer if the District will be performing public safety power shutoffs. Commissioner Fagerlie informed her that the District has no plans to do so, but that may change if the state or the District's insurance company requires them.

Lawrence Martinez joined the meeting to discuss a line extension loan that was taken out by his partners, Louis and Helen Barboni, in 2006. Mr. Martinez entered into a loan at the same time as the Barbonis and both separate loans are secured by the same parcel of land. The service for the Barbonis was never built and both Louis and Helen have died. Helen's son talked to Treasurer Allen and indicated that no one in the family is interested in the property and they will not continue payments on the loan, but it is legally secured by Mr. Martinez' property. Approximately two-thirds of the Barboni loan has been paid, and Mr. Martinez is current on his loan. A discussion followed on whether or not to hold Mr. Martinez responsible for the Barboni loan, with the basic question of whether or not his property value has increased because of the Barboni line extension. Since several customers were connected at the time, and no service was built in that location it can be argued that the loan amount paid by the Barbonis covered their share of the backbone built at the time and if someone wants a service there in the future, they will need to pay for it. Auditor Nush will look at the historical costs to determine if this argument is valid. The Board will discuss it further with Attorney Graham and get back to Mr. Martinez. Lawrence and Gloria Martinez exited the meeting at 9:24 a.m.

Reports:

The Superintendent's Report was presented by Mike Brown:

1. BPA has scheduled two outages for the service area. They will do planned maintenance on the Keller substation on October 23 of this year. Next year, they will have a scheduled outage on May 22 for the northern half of the service area.
2. The District is still waiting for the DOT road approach permits for the 10 Mile Trail Project.
3. The crew continues to replace poles Alamon has identified as deficient.

The Manager's Report was presented by Steve VanSlyke:

1. The Forest Service told Manager VanSlyke that the District's use of Job Corps students for the various projects this year has been helpful in providing training hours.
2. The State Auditors Office should be done with the CETA audit soon.

Attorney Graham joined the meeting remotely at 9:45 a.m.

Attorney's Report:

1. WPUDA's draft proposal for CETA energy assistance was discussed.

Attorney Graham exited the meeting at 10:20 a.m.

A recess was called at 10:20 a.m. until 10:40 a.m. The meeting resumed at 10:40 a.m.

The Treasurer's Report was presented by Pam Allen:

1. The regular Treasurer's reports were mailed to the Board for review prior to the meeting. Operating Funds available as of July 9, 2024 were \$4,974,100.89 with restricted funds of \$3,031,842.41. There were 19 outages in the month of June, for a year-to-date total of 59 compared to 66 for the same period in 2023. The Large Power Summary, Revolving Loan and Line Extension Loan reports were also included in the mailed packet.
2. Treasurer Allen updated the Board on the status of the Washington Families Clean Energy Credits Grant Program. The contractor involved has delayed sending customer information for payment and Treasurer Allen is concerned that District customers might not get all the available funds prior to the September 15<sup>th</sup> state deadline.
3. Auditor Nush included information in the monthly Board packet about the proceeds received in July from the sale of consigned allowances the District received under the Climate Commitment Act. Treasurer Allen has the funds segregated from general operating funds since there are restrictions on how they may be used by the Utility.

The Auditor's Report was presented by Sue Nush:

1. The voucher listing was presented to the Board.

2. Warrants number 22858 through 22936, Direct Payroll Deposits number 907221 through 907261, and Electronic Fund Transfers number 1070 through 1075, in the total amount of \$554,118.49 were approved by a motion made by Commissioner Fagerlie, seconded by Commissioner Aubertin, and unanimously carried.
3. Cost and usage graphs were presented and discussed.

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

The Board recessed for lunch at 11:17 a.m. The meeting resumed at 1:00 p.m. for a scheduled meeting of the Rural Economic Development Revolving Loan/Grant Fund Committee.

The meeting was re-joined remotely by Attorney Graham. Committee members Gary Kohler and Katherine Meade joined the meeting in person, along with Emily Burt and Arwen Woolley from the Friends of the Republic Library, and Mari Jo Olsen and Nick Olsen from the City of Republic. Emily and Arwen presented information about the new Republic Library and Community Center that the Friends and the City of Republic are working to build. The Friends of the Republic Library are a non-profit organization that raises funds to help support the library, which is run with funding from NCW Libraries while the City of Republic actually owns the building. Without a larger building, the local library is unable to offer increased services. A larger facility would also provide space for community use and possibly offer space for a licensed childcare facility. Land has been donated for the new building and grants have already been obtained, with more funding requests pending. A grant was requested by the City of Republic from the District's Revolving Loan/Grant Fund to pay for an owner's representative to deal with the design and construction of the facility, help with community outreach, and to order any electrical equipment required for the construction that has a long lead time. Commissioner Fagerlie inquired about the donated land being in the name of the Friends of the Republic Library while the building would be owned by the City of Republic. Arwen said that the land will be gifted to the City when the building is done. After further discussion, Commissioner Fagerlie made a motion to approve a \$115,000 grant to the City of Republic. Gary Kohler seconded the motion. If the project does not proceed, it was asked that any leftover grant funds be returned. Katherine Meade recused herself from the vote since she is also a member of the Friends of the Republic Library, and the remaining committee members all voted yes.

With no other business before the Board, the meeting was adjourned at 1:59 p.m.

BOARD OF COMMISSIONERS

Public Utility District Number One  
Ferry County, Washington

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President

\_\_\_\_\_  
Vice-President

ATTEST:

\_\_\_\_\_  
Secretary

APPROVED:

\_\_\_\_\_  
Manager