

PUBLIC UTILITY DISTRICT NO. 1 OF FERRY COUNTY
REGULAR MEETING OF COMMISSIONERS
August 19, 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, Chris Kroupa and Dan Fagerlie, Manager Steve VanSlyke, Superintendent Mike Brown, Auditor Sue Nush, and Treasurer Pam Allen. Attorney Steve Graham joined parts of the meeting remotely.

All stood for the Flag Salute.

Visitors: Tom Bernard from the Washington State Auditor's Office (SAO) joined the meeting in person and Travis Beyerl (SAO) joined the meeting remotely.

The results of the 2019-2021 Clean Energy Transformation Act Compliance Audit of the District were discussed. The audit found that the District was non-compliant in three areas. The audit results will be published on the SAO's website. Tom and Travis exited the meeting at 10:09 a.m.

The minutes of the regular July meeting were approved by a motion made by Commissioner Fagerlie, seconded by Commissioner Aubertin, and unanimously carried. The minutes of the July 26th special meeting were approved by a motion made by Commissioner Fagerlie, seconded by Commissioner Aubertin, and unanimously carried.

A recess was called at 10:15 a.m. until 10:35 a.m. The meeting resumed at 10:35 a.m.

Public Comments: Manager VanSlyke received a letter from customer Katie Lawson expressing her appreciation for the office staff. Customers also thanked the line crew for the speed in which they repaired fire damages in the Keller area and got lines re-energized.

Reports:

The Superintendent's Report was presented by Mike Brown:

1. The Bridge Creek fire did not damage any of the District's structures, but several poles were burned in the Swawilla fire. Most have already been replaced but some that were charred but structurally sound will be replaced later. Some planned outages may be required when this work is done. Auditor Nush will investigate whether any FEMA funds may be available to help with the cost of repairing fire damage.

The Manager's Report was presented by Steve VanSlyke:

1. Manager VanSlyke is working with Kinross to identify which parts of the circuit they own and to help them develop maintenance procedures.
2. Staff continue to work through the negotiating process for the DOE grant.

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 August 10, 2024 were \$4,838,584.29 with restricted funds of \$3,201,366.27. There were 27 outages in the month of July, for a year-to-date total of 86 compared to 93 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. The discussion continued from last month's meeting about the Barboni line extension loan. Lawrence Martinez and the Barbonis were joint owners of a piece of property, and both took out line extension loans to bring in power, resulting in two mortgages filed against the same property by the District. They paid regularly on their loans until both Barbonis died. While the service was built for Martinez, nothing was ever put in for the Barbonis. At the time of death, the Barbonis had paid approximately \$10,000 of the \$15,000 loan. The Board agreed that the amount paid by the Barbonis was sufficient to cover their share of the trunk line. Since no service was ever installed by the District for them, Commissioner Fagerlie moved to void the remainder of the contract and apply payments made to date towards their share of building the trunk line and to deobligate the District from the remaining work to install the service. Commissioner Aubertin seconded the motion, and it was unanimously approved. If someone wants a service built there in the future, they will need to pay for it under the District's line extension policy at that time.
3. Treasurer Allen updated the Board on the status of the Washington Families Clean Energy Credits Grant Program. To date, the District has received almost \$75,000 in credits for its customers and staff are actively encouraging people to apply for it.

The Board recessed for lunch at 11:51 a.m. The meeting resumed at 12:58 p.m.

The Auditor's Report was mailed to the Board prior to the meeting.

1. The voucher listing was presented to the Board.
2. Warrants number 22937 through 23037, Direct Payroll Deposits number 907262 through 907302, and Electronic Fund Transfers number 1076 through 1082 and 1084, in the total amount of \$658,191.35 were approved by a motion made by Commissioner Fagerlie, seconded by Commissioner Aubertin, and unanimously carried. Included in the listing were warrants number 21011, 21308 and 22883 which were voided and reissued in the total amount of \$970.51.
3. Cost and usage graphs were presented and discussed.

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

Meeting.

Attorney Graham joined the meeting remotely at 1:37 p.m.

Attorney Graham was informed of the Board's decision on the Barboni loan. He agreed with the Board.

With no other business before the Board, the meeting was adjourned at 1:45 p.m.

BOARD OF COMMISSIONERS

Public Utility District Number One
Ferry County, Washington

President

Vice-President

ATTEST:

Secretary

APPROVED:

Manager