

PUBLIC UTILITY DISTRICT NO. 1 OF FERRY COUNTY
REGULAR MEETING OF COMMISSIONERS
May 21, 2012

The regular meeting of the Board of Commissioners was called to order by President Doug Aubertin at 9:05 a.m. Present were Commissioners Aubertin, Chris Kroupa and Nathan Davis, Manager John Friederichs, Auditor Sue Nush, Engineer/Superintendent Steve VanSlyke; Attorney Steve Graham and Secretary/Treasurer Jayne Jurgensen.

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

Visitors: None

The minutes of the previous meeting were corrected and approved by a motion which was made by Commissioner Aubertin seconded by Commissioner Kroupa and unanimously carried.

Reports:

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

1. Vegetation spraying in the substations and shop yard will be completed soon.
2. Tree removal work continues in the Keller area and will move to the West Curlew Lake area.
3. The crew is identifying areas for brush removal.
4. An inventory, including GPS location and digital imagery, has begun on pole attachments.
5. The crew is performing system-wide jumper and arrester repairs.
6. New line extension work is increasing.
7. A rock crushing company is temporarily working in the Curlew area. Their increased load resulted in the need to make repairs and correct a power factor in a capacitor bank. An asphalt plant will locate at the same site when the crushing work is completed. The crusher is approximately the same load as the Keller substation and the current system would not allow for both the crusher and asphalt plant to operate at the same time.
8. The Department of Transportation has requested a three-phase service for the new Keller Ferry. Construction will begin in the next few weeks.
9. NoaNet has paid for the cost of their work needed West of Republic.
10. The property owner has reconsidered the new line extension in the Danville area and has agreed to a right-of-way for the work. Attorney Graham will write another letter and provide the Line Extension Right-of-way Easement document for signature by the land owner.

Mr. VanSlyke exited the meeting at 9:52 a.m.

The Attorney's Report was presented by Steve Graham:

1. The State has responded to the Request for Public Records and have advised that there is no information to be released. A brief discussion followed with the Board in agreement that Auditor Nush would provide additional information to Attorney Graham who would submit a second request.

Manager Friederichs exited the meeting at 9:56 a.m.

A brief recess was called at 9:57 a.m. with the meeting reconvening at 10:06 a.m. with all present.

2. The possibility of redefining the established Rate Schedules was discussed. It was explained that modifications to the Schedules may be made in a public meeting as per RCW Title 54. Additional advertised notification is not required. It was stressed that the needed changes will not affect current consumer rates but will establish rates for potential commercial and industrial loads. A lengthy discussion followed regarding B.P.A. costs and the effect on the District. B.P.A. is advising that there may be a reduction in available power to its customers. It is not know how this will effect the full requirements customers.

The Manager's Report was presented by John Friederichs:

Correspondence:

1. Information has been received from the State of Washington advising that they would like the Utility to offer deferred compensation through their new program.
2. An additional request for financial sponsorship has been received for Prospector's Day events. Specifically, the Gold Rush Run has requested \$100. A motion was made by Commissioner Kroupa to allow the additional sponsorship. The motion was seconded by Commissioner Aubertin and unanimously carried.

Meetings:

1. The Ferry County Memorial Hospital emergency room coordinator is planning a community-wide mock disaster drill with the Utility to participate.
2. There will be no WPUDA meeting in the month of June.
3. B.P.A. has scheduled a June 12 meeting in Portland regarding the possible 1% reduction in high water mark available power.

General Business:

1. There is the possibility that any electrical infrastructure in place on Parks and Recreation administered property will be considered a trespass. If this were to be the case, the infrastructure would be removed or the utility fined accordingly. A lengthy and costly application and permitting process has been recommended as well. This potential change would effect the State Park and those consumers receiving service through this established line.

2. B.P.A. has begun holding workshops pertaining to the high water mark power availability and load forecasting for the 2014 through 2015 rate period. The Utility's option of purchasing power through the open market was discussed.
3. Proposed clarification to the established Rate Schedules was briefly discussed.
4. A policy will be presented at the June Board Meeting to establish management benefits. It has been learned that the other utilities who are members of CWPU has established direction in place. It has been advised that our Utility should comply.
5. A cost for the survey needed for the Manilla Creek line reroute has been obtained. The local surveyor has agreed to a cost of \$2,128 to complete the survey complying with the BIA requirements. The Board was in concurrence that the application process should continue.
6. The need for an on-call, temporary person to work in the front counter area was presented. There have been occasions when current staffing has not been able to cover the demand.
7. Resolution 12-04 "A Resolution to Amend the District Employee Policies Manual" was adopted by a motion made by Commissioner Davis, seconded by Commissioner Kroupa and unanimously carried.

Manager Friederichs exited the meeting a 11:40 a.m. returning at 11:42 a.m.

The Conservation Report was presented by Manager Friederichs:

1. Several window and insulation projects have been completed and the customers reimbursed.

The office building suffered from an unexpected flood when the janitorial crew left the outside water on overnight. Standing water was found in the front entrance/reception area, the front office, kitchen area, the archives/closed files room in the basement and another basement office area.. The janitorial contractor brought in a restoration company to identify damaged areas and dry the office areas and contents of the closed files.

Commissioners:

Commissioner Kroupa:

1. A complaint was received from an irate customer who felt their billing was in error. The customer was given the opportunity to attend the Board Meeting.

Commissioner Aubertin:

1. Attended the Annual NWPPA meeting in Coeur d'Alene, Idaho.

The meeting recessed at 12:00 noon for lunch, reconvening at 1:18 p.m.

Commissioner Aubertin continued his report.

Commissioner Davis:

1. Attended a TEDD meeting with highlights presented.
2. Attended the May WPUDA meeting with highlights presented.
3. Also attended the Annual NWPPA meeting and found it to be very informative.

The Treasurer's Report was presented by Jayne Jurgensen:

1. Operating Funds available as of May 10, 2012 were \$1,657,044.80 with restricted funds of \$1,043,216.35. There were 11 outages in the month of April for a year-to-date total of 34 compared to 20 for the same period in 2011. The Revolving Loan/Grant Fund and the High Energy Cost Loan repayment reports were reviewed.

A recess was called at 2:35 p.m. with the meeting reconvening at 2:44 p.m.

The Auditor's Report was presented by Sue Nush:

1. The voucher listing was reviewed with the Board and questions answered. Warrants Numbers 8528 through 8642, direct payroll deposits numbers 901586 through 901615, Electronic Fund Transfer number 12, 13 and 14 in the total amount of \$693,888.70 were approved by a motion made by Commissioner Kroupa, seconded by Commissioner Davis and unanimously carried.
2. The Financial and Statistical Report was reviewed by the Board with questions answered.

Lobbying: None

With nothing further to come before the Board, the meeting was adjourned at 3:30 p.m.

BOARD OF COMMISSIONERS
PUBLIC UTILITY DISTRICT NO. ONE
FERRY COUNTY, WASHINGTON

President

ATTEST:

Vice-President

Secretary

APPROVED:

Manager