

**MINUTES OF THE BOARD OF COMMISSIONER MEETING  
OF KITTITAS COUNTY PUD #1  
SEPTEMBER 30, 2014**

The meeting of the Board of Commissioners of Public Utility District #1 of Kittitas County was called to order by President Paul Rogers at 1:04 P.M.

**Roll Call:**

Paul Rogers, President  
Rogers Sparks, Vice-President  
Shan Rowbotham, Secretary

**Staff Present:**

Matt Boast, General Manager (GM)  
Genine Pratt, Finance Manager (FM)  
Kelly Carlson, Administrative Assistant

**Guests Present:**

Mike Lowe

**Public Comments/Introduction of Guests**

**No Public Comment**

**Agenda**

Changes to the Agenda:

- 1) Pull Item 4.1 – August Warrants for discussion
- 2) Add Item 8.4 – Planned Outage

MOTION: Commissioner Rowbotham moved to approve agenda as amended.

SECOND: Commissioner Sparks seconded

VOTE: 3-0 Approved

**Consent Agenda**

Consent Agenda Items:      Workshop Meeting Minutes, August 26, 2014  
   Regular Board Meeting Minutes, August 26, 2014  
   Resolution No. 815 – Transfer & Invest Funds September

Commissioner Rowbotham motioned to approve the Consent Agenda as amended.

Commissioner Sparks seconded

**Vote: Approved 3-0**

**Discussion:** Commissioner Rogers went over some entries in the warrant register and staff answered any questions he had.

**Motion:** Commissioner Rowbotham motioned to approve the August warrants as submitted.

**Second:** Commissioner Sparks seconded.

**Vote:** Approve 3-0

### **Financial Reports**

FM Genine Pratt reported on the following:

FM Pratt presented the financial narrative and fielded any questions the Commissioners had.

**5.1 Consumer Sales & Revenue** – Commissioner Sparks stated that there seems to be some disparity in the average sales and number receiving service. FM Pratt will look into it.

**5.2 Trial Balance** – Commissioner Rowbotham inquired as to where the conservation funds are located in this report. FM Pratt directed him to where he could find it on the report.

**5.3 Board Expenses** – No Action

**5.4 Top Ten Consumers** – FM Pratt stated that there aren't any customers close to the large load.

### **Old Business**

**6.1 Health Insurance Review & Update:** GM Boast updated the Commissioners on where we are at with this project. He requested the Board hold a workshop on 10/07/2014 @ 10:00 am to discuss in further detail.

**6.2 Resolution #784 Employee Recognition Program** – No Action

**6.3 Board Retreat Objectives** – GM Boast stated that he likes to include to be sure we are still on track with our objectives.

**6.4 Resolution No. 807 Asset Management Policy** – FM Pratt presented updated policy to the Commissioners. Commissioner Sparks had several comments regarding the responsibilities of the Finance Manager/Auditor vs. General Manager. Commissioner Rowbotham pointed out some inconsistencies in the policy that conflict with other policies that need to be changed. Commissioners

directed staff to make the discussed changes and bring back to them for consideration.

- 6.5 **Resolution 809 – Budget Policy** – No Action, staff to make changes and bring back to Commissioners for consideration.
- 6.6 **Irrigation and New Large Load Policy Review**– GM Boast stated that the utility had secured EES Consulting to review the irrigation rates. Commissioner Rogers would like to see this put in place by the end of the year. He also stated that we will need to address the new large load/Cannabis sooner than later since there is the possibility of outdoor grows going indoors.

### New Business

- 7.1 **Employee Evaluations:** Employee evaluations are planned for 10/07/2014 during executive session.
- 7.2 **2015 Budget:** GM Boast requested guidance on the warehouse project. He gave an update and status of the project costs, schedule, and detail. Commissioner Rowbotham suggested budgeting the entire project in 2015 instead of a two year. Commissioner Rogers would like to wait until the 2015 budget process to plan for an expense of this magnitude.  
There was further discussion on this project and Commissioners Rogers and Rowbotham suggested budget entire project in 2015 with demo to begin in the February-March timeframe.
- 7.3 **Rate/Review Audit:** GM Boast stated that the utility had done an in-house audit of our rate classes. He stated that in this review it was found that the utility will be giving both credits and billings to certain accounts. Commissioner Rogers questioned if we should be billing back if this was our error? GM Boast stated that there is and RCW that requires us to charge what our published rates are.
- 7.4 **Customer Appreciation Day:** GM Boast updated the Commissioners on the upcoming customer appreciation day, 10/10/2014 from 11:00-1:00. He stated there will be no surplus sale this year but will have informational booths set up and lunch.

## Operations Report

### **8.1 Project Status and Schedule:**

OM Vosburgh reported on the following:

- **Alpine Project** – The boring and power contractors are onsite and the project should be complete in about 3 weeks.
- **Lauderdale Project** – This project should begin in the next 3-4 weeks.
- **Crew Update**.

### **8.2 Work in Progress Monthly Activity –**

- o Basin Tree – Is onsite again to complete our tree trimming for the year.

**8.3 Work Order Reports:** GM Boast went over the work order cost reports with the Commissioners.

**8.4 Planned Outage:** GM Boast updated the Commissioners on the upcoming planned outage at Roza. He stated that it will be on Oct 21-22 for 10 hours each day. He noted that all affected customers will be notified prior to the event.

## Engineering Report

**9.1 Capital Project 202 – Smithson-Teaaway:** No Action

**9.2 Alpine Cable Replacement:** No Action, discussed above.

**9.3 Security Light/LED Replacement Project:** GM Boast stated that we are currently working on a bid packet for these lights and will be part of a conservation project.

**9.4 Scrapwire/Metal Disposal Service:** GM Boast informed the Commissioners that the bid for this service had gone out along with an addendum. Kittitas Valley Recycling will be our new scrapper on a two year contract.

**9.5 Inventory/Standards Review:** No Action

**9.6 SPCC RFP:** GM Boast informed the Commissioners that this RFP is out and all bids are due Friday, 10/03/2014.

**9.7 20-Year Long Term:** GM Boast informed the Commissioners that this RFP is out and all bids are due Friday, 10/10/2014.

**9.8 Engineering Look Ahead:** No Action

**9.9 Outage Report:** No Action

**Managers Report:**

GM Boast went over his Manager's report.

**Commissioners Report**

***Commissioner Sparks –***

- Nothing to report

***Commissioner Rowbotham –***

- Energy Northwest stayed neutral regarding Carbon Tax and Debt Structure.
- Provided a poster to the front office of all of the dams on the Columbia River system.

***Commissioner Rogers –***

- Columbia had 451 days of continuous operation
- Went over WPUA Directors meeting notes
- WPUA Energy Committee update

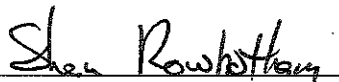
At 4:00 the Commissioners recessed for 10 minutes.


**Executive Session:**

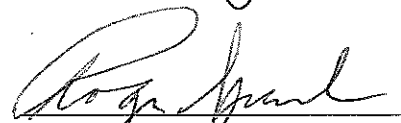
At 4:10 p.m. Commissioner Rogers announced the Board would recess into Executive Session for 30 minutes to discuss agency matters relating to RCW 42.30.110 (g). At 4:40 p.m. the Board reconvened from Executive Session. No action was taken.

**Meeting adjourned at 4:20 P.M.**

ATTEST:

  
\_\_\_\_\_  
Shan Rowbotham, Secretary

  
\_\_\_\_\_  
Paul Rogers, President

  
\_\_\_\_\_  
Roger Sparks, Vice President

1

2

3