

**MINUTES OF THE BOARD OF COMMISSIONER MEETING
OF KITTITAS COUNTY PUD #1
February 25, 2014**

The meeting of the Board of Commissioners of Public Utility District #1 of Kittitas County was called to order by Vice President Roger Sparks at 1:00 P.M.

Roll Call:

Paul Rogers, President (Via Telephone)
Rogers Sparks, Vice-President
Shan Rowbotham, Secretary

Staff Present:

Brian Vosburgh, Assistant General Manager (AGM)
Genine Pratt, Finance Manager (FM)
Kelly Carlson, Administrative Assistant

Guests Present:

Mike Lowe, Pat Kelleher

Public Comments/Introduction of Guests

None

Agenda

Add Item 7.4 Declaration of Emergency to be over
Commissioner Rowbotham motioned to approve the Agenda as amended.
Commissioner Rogers seconded
Vote: Approved 3-0

Consent Agenda

Remove Item #4.2 Regular Board Meeting Minutes January 21, 2014
Commissioner Rowbotham motioned to approve the Consent Agenda as amended.
Commissioner Rogers seconded
Vote: Approved 3-0

Financial Reports

FM Genine Pratt reported on the following:

- **Collection Activity Report** – No discussion

- **Consumer Sales & Revenue** – FM Pratt went over the report with the Commissioners. Commissioner Rowbotham commented that the line loss is down.
- **Top Ten Consumers** - No discussion.
- **Historical Ratio's Report**– FM Pratt went over this report and stated that this report is a work in progress. She then pointed out the ratios of the most importance that the Commissioners should be looking at.
- **Bond Expenditures** – FM Pratt presented a 2005-2013 bond recap report to the Commissioners for review. There was discussion from the Commissioners on the goal of the 50/50 position we would like to target. Commissioner Rogers stated that this is a topic he would like to discuss in length at the upcoming retreat.
- **Helping Hands** – FM Pratt presented a report on the amount of funding collected in our Helping Hands program, \$2675.88.
- **Moody's Rating** – FM Pratt went over the report with the Commissioners and pointed out that we still have to be rated by Moody's and that we are still at an A-1 rating. Commissioner Rogers suggested going by what Moody's base their information off of and following suit at our Utility.
- **Trial Balance** – FM Pratt went over the report with the Commissioners. Commissioner Sparks asked what "clearing" meant and FM Pratt stated that any accounts with "clearing" are simply pass thru accounts in PCS.
- **Board Expenses** – FM Pratt went over this new report with the Commissioners. She stated that she included a total cost report for 2013 and then a January 2014 cost report.

Managers Old Business

- 6.1 **Medical Insurance Review:** No Action
- 6.2 **INET Update:** AGM Vosburgh stated that this agreement is still pending but we included a draft agreement for review. Commissioner Sparks stated that he isn't quite sure about this agreement but would like to keep the opportunities open for the Utility.
- 6.3 **Website redesign:** No Action
- 6.4 **Technology Plan:** AGM Vosburgh stated that Key Methods are on board and we are currently working with them on the transition.
- 6.5 **Interlocal Agreements:** No Action
- 6.6 **Resolution #784 Employee Recognition Program** – No Action

Managers New Business

7.1 Resolution 789 – Work Order Procedure:

AGM Vosburgh presented the resolution and explained that this document would satisfy the auditing requirements that we have run into. He also stated that attached to the resolution was a work order process and a listing of those that will be “grandfathered” in as of this date. Commissioner Rogers expressed concern with the list but FM Pratt assured him that this list is what he requested.

Commissioner Rogers motioned to Approve Resolution #789 – Adoption of a Work Order Process.

Commissioner Rowbotham seconded

Discussion: Commissioner Rowbotham stated that in approving this work order procedure it will not trigger an update to the line extension policy.

Motion Approved - 3-0

7.2 Retirement Letter – Bob Allen:

AGM Vosburgh presented a letter of retirement from Bob Allen who has written for us for years in our Ruralite. The Commissioners would like a Certificate of Appreciation prepared and Commissioner Rowbotham volunteered to prepare a plaque.

7.3 Damage Claims:

AGM Vosburgh stated that the PSE/Teaway outage caused damage to some of our customer equipment and they have filed claims. He stated that GM Boast filed these claims to PSE on behalf of our customers since it was PSE’s actions that caused this damage. Commissioner Rogers asked if these had been submitted to our Federated insurance. FM Pratt stated that they had been turned into Federated, denied by Federated, and told to submit to PSE direct for these claims.

7.4 Declaration of Emergency over as of 2/25/2014:

Commissioner Rogers motioned to declare the Declaration of Emergency (Ice Storm) over as of 2/25/2014.

Commissioner Rowbotham - Seconded

Vote - Motion Approved 3-0

Operations Report

8.1 Project Status and Schedule:

OM Vosburgh reported on the following:

- **Work Order Summary** – 9 projects, 5 new services.
- **Crew Update** – AMR/ERT Meter Change out program is complete with the exception of a few “special” circumstance meters that need done.
- **Project Status Update** –
 - o Cannabis Farm Project Request – OM Vosburgh stated that we had received a request for information from an applicant wanting to put in a large cannabis operation on Rader Road. He stated that we are currently researching what the impacts of this large load will have on our current system and what will need to be upgraded to handle this load. Commissioner Rowbotham stated his concern of this possibly pushing us into BPA Tier 2 pricing (two-year contract/commitment) so we need to look at this also.
- **Resolution #790 Award the Mimi Excavator** – OM Vosburgh presented a resolution to award the bid to furnish a mini-excavator to Central Machinery in the amount of \$54,486.00.
 - Motion:** Commissioner Rogers motioned to approve Resolution #790 to Award the bid for the Mini Excavator to Central Machinery in the amount of \$54,486.00.
 - Second** – Commissioner Rowbotham seconded
 - Vote** - Motion approved 3-0

8.2 New Services Graphs: Reviewed - No Action

Engineering Report

- 9.1 GIS Mapping Project Update** – No Action
- 9.2 AMR Program update:** No Action.
- 9.3 ACX Cutover:** AGM Vosburgh stated that ACX has begun the demolition work on the house and will be completed very soon.
- 9.4 Capital Projects 202 & 203 Update:** AGM Vosburgh stated that the bids are currently out for the S3 Feeder access road for the Smithson crossing.
- 9.5 Engineering Look Ahead:** No Action
- 9.6 Outage Reports** – AGM Vosburgh stated that BPA is trying to plan an outage in the March/April timeframe and would last for a month. He stated he would keep the Commissioners up to date on this issue.
 - Gas pump/tank shed:** AGM Vosburgh stated that this project is complete and no ground contamination found. The next course of action is to patch the areas that were torn up.
 - Church Property:** AGM Vosburgh stated that the only action at this point is we are doing some surveying and the work will continue.

Commissioners Report

Commissioner Rogers –

- Annual retreat date options of 4/8-9 or 4/9-10, 6 hours each day.
- Commissioner Rogers would like Commissioners and Staff to begin thinking of topics for the upcoming retreat.

Commissioner Sparks –


- Reported that the Energy Northwest meeting went good and that there was a presentation from NuScale Power which he presented to the other Commissioners for review.

Commissioner Rowbotham –

- Reminded Staff that there is conservation funding available for feeder rebuilds.
- Stated that the Smart Power Strips are getting popular in the conservation world and we may want to look into them.
- Commissioner Rowbotham gave an update from the WPAG meeting he attended.
- Commissioner Rowbotham requested that Irrigation Rate Design be put on the March Agenda for discussion.
- Commissioner Rowbotham requested the Board Packets be available sooner than the Friday before the meeting. Staff will work on this.

Meeting adjourned at 3:20 P.M.

ATTEST:


Secretary


President


Vice President

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