

**MINUTES OF THE BOARD OF COMMISSIONER MEETING
OF KITTITAS COUNTY PUD #1
MARCH 25, 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 1:00 P.M.

Roll Call:

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

Staff Present:

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

Guests Present:

None

Public Comments/Introduction of Guests

None

Agenda

Add Item 7.10 Add NWPPA Voting Delegate Form Discussion
Commissioner Sparks motioned to approve the Agenda as amended.
Commissioner Rowbotham seconded
Vote: Approved 3-0

Consent Agenda

Consent Agenda Items: February Warrants
 Regular Board Meeting Minutes 1/21/2014
 Regular Board Meeting Minutes 2/25/2014

Commissioner Sparks motioned to approve the Consent Agenda.
Commissioner Rowbotham seconded

Discussion: Commissioner Rogers would like a listing of items on the Consent Agenda included in the minutes in the future.

Vote: Approved 3-0

Financial Reports

FM Genine Pratt reported on the following:

- **Year End Inventory Update** – FM Pratt gave a brief inventory update to explain our process. She stated that the main issues are wiring and the issuance of wire on jobs. She assured the Commissioners that there still needs to be some work done to get a smooth process but that staff will get there.
- **Collection Activity Report** – No discussion
- **Consumer Sales & Revenue** – FM Pratt went over the report with the Commissioners. GM Boast stated that the BPA billing was quite high in February. He assured the Commissioners that we are still getting all of our credits due but that we got hit with a high demand/load.
- **Top Ten Consumers** - No discussion.
- **Electrical Revenue & Refunding Bonds**– FM Pratt went over this report.
- **Fixed Assets & Special Equipment Purchases** – FM Pratt went over the purchases report with the Commissioners.
- **Board Expenses** – No Action
- **Statement of Revenue, Expenses, and Net Position Update** – FM Pratt stated that the year-end statement includes the \$4 million adjustment and that all reports are up to date. She stated that the Utility’s equity is at 53% and all looks good.
- **Balance Sheet** – No action.
- **Resolution #792 Transfer & Invest Funds** – FM Pratt presented the Commissioners with Resolution #792 for consideration and approval.

Motion: Commissioner Rogers motioned to approve Resolution #792

Second: Commissioner Sparks seconded

Vote: Approved 3-0

Managers Old Business

- 6.1 **Medical Insurance Review:** GM Boast informed the Commissioners that we had met with Chad Philips, Philips Insurance Group, to discuss our insurance needs/direction. He stated that they will assist us in the review of possible insurance options for the utility that will include the Public Utility Risk Management (PURMS), Central Washington Public Utility (CWPU), and Public Employee Benefit Board (PEBB).
- 6.2 **Metropolitan Area Network Update:** GM Boast stated that the Utility has signed on as a partner and at this point there is no cost until we start using.

- 6.3 **Website redesign:** GM Boast informed the Commissioners that we are finishing up the logo/branding portion of our website and are getting close. He stated that a majority of the content has already been uploaded for CivicPlus.
- 6.4 **Technology Plan:** GM Boast stated that Key Methods is working on getting all staff moved to the cloud and is beginning with email. He informed the Commissioners that they will need to contact Key Methods to assist in syncing their electronic devices for email.
- 6.5 **Interlocal Agreements:** No Action
- 6.6 **Resolution #784 Employee Recognition Program –** No Action
- 6.7 **Damage Claims:** GM Boast stated that there have been claims submitted from customers affected by the brown out on 1/14/2014. He stated that the Utility had no negligence in this outage and that it was PSE's responsibility. He is pursuing these claims through PSE.

Managers New Business

- 7.1 **Commissioner Retreat:** GM Boast stated that the annual board retreat has been scheduled for April 21-22, 2014 at the Canyon River Ranch. He is currently gathering information from all for agenda items.
- 7.2 **Ellensburg Rodeo Parade:** GM Boast received a letter from the Ellensburg Rodeo regarding participation in the parade. Commissioner Rogers requested we come up with a plan for their consideration.
- 7.3 **Irrigation Rate Options:** There was some discussion on this topic and that the issue with irrigation rates needs to be resolved and a policy be created to be fair all of the way around. Commissioners suggested this be a topic of discussion at the upcoming board retreat.
- 7.4 **Distributed Generation Policy Review:** GM Boast stated there is legislation in the works for third-party ownership for distributed generation systems, i.e. roof top systems. Commissioners requested this be on the upcoming retreat agenda.
- 7.5 **Monthly Standards Review:** GM Boast stated that he has planned to have monthly standards review meetings immediately after the monthly safety meetings. He intends to include accounting and line staff in these meetings.

7.6 **APPA RP3 Application:** GM Boast informed the Commissioners that the results on the RP3 application have been received. He stated that there were a few areas that we will need to focus on for improvement. Commissioners requested this be a topic on the upcoming retreat agenda.

7.7 **Resolution No. 793 – Award the S3 Feeder Access Road Project.**
GM Boast presented Resolution No. 793 for Commissioner review and approval. Staff is recommending the responsible bid from Morgan & Son, Inc. in the amount of \$79,298.00 be accepted.

Motion: Commissioner Rogers motioned to approve Resolution No. 793

Second: Commissioner Sparks seconded

Vote: Approved 3-0

7.8 **Wanapum Dam Update:** GM Boast updated the Commissioners on what little he could find out about the repairs to the dam.

7.9 **BPA Contract – Exhibit H:** GM Boast presented Exhibit H of the BPA contract – Residential exchange settlement. GM Boast recommended the Commissioners sign and that 20 of the 23 partners have signed.

Motion: Commissioner Rowbotham motioned to approve and sign Exhibit H of the Residential exchange settlement contract.

Second: Commissioner Sparks seconded

Discussion – Commissioner Rogers was concerned that this would diminish our standing and that he could not support until he spoke with Terry Mundorf (Atty).

Vote: Approve 2-1 Commissioner Rogers did not approve.

7.10 **NWPPA Voting Delegate (Commissioner Rogers request):** Commissioner Rogers is requesting to be the Utility's voting delegate for the 2014 meetings.

Motion: Commissioner Rowbotham motioned to delegate Commissioner Rogers as the Utility's voting member

Second: Commissioner Sparks seconded.

Vote: Approved 3-0

Operations Report

8.1 Project Status and Schedule:

OM Vosburgh reported on the following:

- **Work Order Summary** – 5 projects, 4 new services.
- **Crew Update** – Brickmill road rebuild and other miscellaneous and service line extension projects.
- **Project Status Update** –
 - o I-90 UG crossing – OM Vosburgh stated the Henkels crew is complete and that the KCPUD crew will move on to complete the project late March early April.
 - o Cannabis Farm Project – New Cannabis farm project on Radar Rd. OM Vosburgh gave them a quote for service which could be close to \$1 million.
 - o Tree Trimmers – Basin Tree Service is currently in the lower county until the upper county dries out.
 - o 2014 Dock Crew – Bids for a dock crew for 2014 are out and will be opened on March 11, 2014 at 2:00.
 - o Mini Excavator – OM Vosburgh stated that the mini-ex is in but we are waiting for the trailer so they can be delivered together.

8.2 New Services Graphs: Reviewed - No Action

Engineering Report

- 9.1 GIS Mapping Project Update** – GM Boast stated that the GIS survey is up and running so the next step is to link the mapping to PCS.
- 9.2 AMR Program update:** This project is complete with the exception of meters that will need an electrician to complete and these are scheduled.
- 9.3 ACX Cutover:** GM Boast stated that the ACX cutover is complete and the capacitor bank that ACX purchased is installed but not yet energized.
- 9.4 Capital Projects 202 – Smithson-Jenkins:** GM Boast stated that the S3 Feeder access road for the Smithson crossing should be complete by the end of May.
- 9.5 Capital Projects 202 – Smithson-Teanaway:** GM Boast stated that this is primarily in our right of way and there is approximately 6 mi. of work to be done.
- 9.6 BPA Planned Outage:** GM Boast informed the Commissioners that BPA is trying to coordinate a 2 hour outage for maintenance on their equipment. Staff will coordinate notification to the effected customers.
- 9.7 Engineering Look Ahead:** No Action
- 9.8 Outage Reports** – No Action

Commissioners Report

Commissioner Sparks –

- Inquired as to if Shan was receiving any information from ENW, Commissioner Rowbotham stated that he wasn't but would look into it again.

Commissioner Rowbotham –


- No updates

Commissioner Rogers –


- Commissioner Rogers requested Commissioner Rowbotham be involved in the voting for the executive board (Association?) Ann Condon, Barney Burke and Linda Scott are in the running.
- WPUDA – There are two candidates for WPUDA secretary, Dennis Read (Wahkiakum) and Ron Skagin (Douglas PUD).
- WPUDA – The dues committee is recommending to the executive board a new fee schedule
- New Legislation:
 - 1) SB 2105 – "...public agencies with governing bodies to post meeting agendas on websites before meetings.....24 hours in advance.
 - 2) SB 6007 – Exemption in public records act for customer information held by public utilities.

Meeting adjourned at 4:15 P.M.

ATTEST:


Secretary


President


Vice President