

**MINUTES OF THE BOARD OF COMMISSIONER MEETING  
OF KITTITAS COUNTY PUD #1  
APRIL 29, 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 1:02 P.M.

**Roll Call:**

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

**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**

Energy Northwest – gave a presentation on “Columbia Value”

**Agenda**

Add Item 7.3 Add Redundancy Study (requested by Commissioner Rogers)  
Commissioner Rowbotham motioned to approve the Agenda as amended.  
Commissioner Sparks seconded  
Vote: Approved 3-0

**Consent Agenda**

Consent Agenda Items:        March Warrants  
   Regular Board Meeting Minutes 3/25/2014  
   Resolution No. 794-Transfer & Invest Funds  
Commissioner Rowbotham motioned to approve the Consent Agenda with correction in  
3-25-2014 Minutes.  
Commissioner Sparks seconded  
Vote: Approved 3-0

## Financial Reports

FM Genine Pratt reported on the following:

- **Collection Activity Report** – No Action
- **Work Order Classification** – No Action
- **Top Ten Consumers** - No Action
- **Year to Date Inventory**– FM Pratt stated that this was for information only.
- **Board Expenses** – No Action
- **Consumer Sales & Revenue** – FM Pratt gave update and explained the line loss number.
- **Statement of Revenue, Expenses, and Net Position Update** – No Action
- **Balance Sheet** – No action.
- **Quarterly Budget Recap** – FM Pratt went over this report and stated that we are right on with budget and that there may need to be some corrections to the Capital projects as far as whether the line crew is performing the work or if the dock crew will be.
- **WPUA Finance Managers Conference Update** – FM Pratt stated that the items of interest at the conference were HRA, Moody’s, On-Call Contracts, Contract review by lawyer, and Fraud.

## Managers Old Business

- 6.1 **Medical Insurance Review:** No Action
- 6.2 **Website redesign:** GM Boast informed the Commissioners that we will be getting our first look at the new website mock up tomorrow.
- 6.3 **Technology Plan & IT Support:** GM Boast stated that we still have a few steps to implement prior to everything being on the “cloud”. There is also still training that will need to take place.
- 6.4 **Interlocal Agreements:** GM Boast stated that the only agreement he has at this time is the Energy Northwest.
- 6.5 **Resolution #784 Employee Recognition Program** – Commissioners directed GM Boast to bring this before the Commissioners at the next meeting for consideration.
- 6.6 **Irrigation Rate Options** - Commissioners requested GM Boast to schedule a workshop to discuss this topic in depth.
- 6.7 **Distributed Generation Policy Review** – No Action

## Managers New Business

7.1 **Board Retreat Objectives:** GM Boast stated that he will work on setting dates for the objectives that were identified at the retreat.

7.2 **Kingdom Hall Church:** GM Boast stated that he has entered discussions with the church for their property directly behind our facility. He also wanted to clarify his authority to negotiate for the 10,000 sq. ft. At this point he has offered the church \$1.00 per sq. ft. and they came back with an offer of \$20,000 or \$2.00 per sq. ft. Commissioner Rogers suggested an appraisal be done on the property.

**Motion:** Commissioner Rogers motioned to get an appraisal done on the church property prior to completing negotiations.

**Discussion:** Commissioner Sparks went over some of the steps in gaining an appraisal. GM Boast informed the Commissioners of his past experience with appraisals and the costs associated. FM Pratt suggested getting documentation from a real estate agent stating what the going rate is for this type of property.

**Vote: 1-2 Motion Failed (Rogers yes – Rowbotham-Sparks no)**

**Motion:** Commissioner Rowbotham motioned to direct GM Boast to obtain documentation from a realtor and negotiate price up to \$15,000. If price goes higher he will need to come back to the Board for direction.

**Second:** Commissioner Sparks seconded.

**Vote: 2-1 Motion Approved (Sparks, Rowbotham-yes; Rogers –no)**

7.3 **Redundancy Study:** (Added Item per Commissioner Rogers)

Commissioner Rogers is concerned that we may not be building enough capacity for the amount of load off of the Teanaway substation. He stated that he feels a study on the main substations needs to be conducted. He suggested a consultant be hired and work closely with staff to complete the study. He also suggested that if we don't have it in the budget for 2014 we may want to insert it into the budget and do a budget amendment if necessary.

**Motion:** Commissioner Rogers motioned to direct staff to prepare a scope of work for a system wide redundancy study for Commissioner review and approval.

**Second:** Commissioner Rowbotham seconded.

**Vote: 3-0 Approved**

## Operations Report

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

OM Vosburgh reported on the following:

- **Work Order Summary** –9 new services.
- **Crew Update** – servicing irrigation banks, I-90 project completion.
- **Project Status Update** –
  - o I-90 UG crossing – OM Vosburgh stated that our crew is completing this project now.
  - o Resolution #795 Award 2014 Dock Crew – Bids for a dock crew for 2014 were opened on March 11, 2014 at 2:00. Staff is recommending award to Michels Power.

**Motion:** Commissioner Rowbotham motioned to Approve Resolution 795 to Award the 2014 Dock Crew Bid to Michels Power.

**Second:** Commissioner Rogers seconded.

**Discussion:** Commissioner Rowbotham asked if we were having legal review our contracts. GM Boast stated that we only use legal on the detailed contracts. Commissioner Rowbotham stated that he is okay with this one but in the future we need to have legal review our contracts and create templates we can use.

**Vote: 3-0 Approved**

### **8.2 New Services Graphs:** Reviewed - No Action

## Engineering Report

### **9.1 GIS Mapping Project Update** – No Action

**9.2 Capital Project 202 – Smithson-Jenkins:** This project is moving along, had to remove some fencing then Morgan & Son will be starting the access road. We anticipate the line to be built in June so OM Vosburgh has already begun stockpiling the supplies for the project.

**9.3 Capital Project 203:** GM Boast stated that ECI is currently working with Chad Bala on required easements.

**9.4 BPA Planned Outage:** GM Boast stated that this is currently scheduled for the middle of May and will last approximately 1-2 hours. Mailing notifications will need to go out prior.

**9.5 Alpine Estates:** GM Boast stated that he is going to prepare a letter to all affected customers of the upcoming project impacts.

### **9.6 Engineering Look Ahead:** No Action

### **9.7 Outage Reports** – No Action

**Commissioners Report**

***Commissioner Sparks –***

- Attended the Energy Northwest meeting with Commissioner Rowbotham.

***Commissioner Rowbotham –***

- Attended the Energy Northwest meeting and thought that the cost of power analysis was very interesting.

***Commissioner Rogers –***

- PPC is working on getting BPA out of the Conservation business.
- WPU DA – After review of the new costs associated with dues they have found that Skagit’s dues went up \$5K so they are looking into that.
- WPU DA – The dues committee is recommending to the executive board a new fee schedule


**Executive Session:**

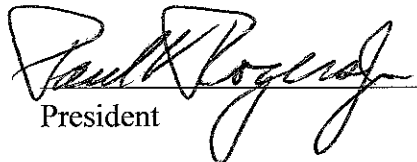
At 4:40 p.m. Commissioner Rogers announced the Board would recess into Executive Session for 15 minutes to discuss agency matters relating to Litigation.

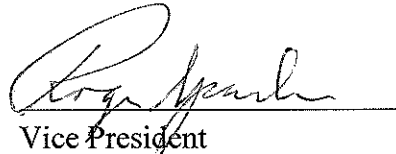
At 4:55 p.m. the Board reconvened from Executive Session. No action was taken.

**Meeting adjourned at 5:00 P.M.**

ATTEST:

  
Secretary

  
President

  
Vice President

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