

**MINUTES OF THE BOARD OF COMMISSIONER MEETING
OF KITTITAS COUNTY PUD #1
JUNE 23, 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)

Guests Present:

Brian Lenz - PSE

Public Comments/Introduction of Guests

None

Agenda

Commissioner Rowbotham motioned to approve the Agenda as presented.
Commissioner Sparks seconded
Vote: Approved 3-0

Consent Agenda

Consent Agenda Items: May Warrants
 Regular Board Meeting Minutes 4-29-2014
 Regular Board Meeting Minutes 5-15-2014
 Workshop Meeting Minutes 5-27-2014
 Regular Board Meeting Minutes 5-27-2014
 Resolution No. 802-Transfer & Invest Funds
Commissioner Sparks motioned to approve the Consent Agenda as presented.
Commissioner Rowbotham seconded
Vote: Approved 3-0

Financial Reports

FM Genine Pratt reported on the following:

FM Pratt presented the financial report but stated that the financial numbers are not available due to implementation of internal controls and processes.

- **Consumer Sales & Revenue** – FM Pratt stated that the revenue is close to budgeted amount.
- **Trial Balance** – No Action
- **Board Expenses** – No action.

Old Business

6.1 Medical Insurance Review: No Action

6.2 Website redesign: GM Boast informed the Commissioners that the website has launched and would like feedback from them.

6.3 Resolution #784 Employee Recognition Program – No Action

6.4 Board Retreat Objectives – GM Boast wanted to revisit the Strategic Plan objectives again. Commissioners asked about the Forest Service contract and GM Boast stated that it is expired as of December 31, 2013.

6.5 Small Works Policy - GM Boast presented the Small Works Policy for consideration.

Motion: Commissioner Rowbotham motioned to approve **Resolution No. 799 – Small Works Policy** as written.

Second: Commissioner Sparks seconded

Vote: Approved 3-0

6.6 Procurement Policy – GM Boast presented the Procurement Policy for consideration.

Motion: Commissioner Rowbotham motioned to approve **Resolution No. 801 – Procurement Policy** as written.

Second: Commissioner Sparks seconded

Vote: Approved 3-0

6.7 District Policy Index – GM Boast presented the District Index Policy for consideration.

Motion: Commissioner Sparks motioned to approve **Resolution No. 803 – District Policy Index** as written.

Second: Commissioner Rowbotham seconded
Vote: Approved 3-0

6.8 **IBEW 2014-2016 CBA- Manage Authorization** – GM Boast presented the IBEW union contract for consideration.

Motion: Commissioner Sparks motioned to approve Resolution No. 804 – IBEW 2014-2016 Collective Bargaining Agreement as written.

Second: Commissioner Rowbotham seconded

Discussion: Commissioner Sparks inquired if the Joint Tentative Agreement is a public document. It was noted that it is indeed a public document and Commissioners Sparks requested to ask further questions. GM Boast stated that the Commissioners would need to go into Executive Session.

Executive Session:

At 1:25 p.m. Commissioner Rogers announced the Board would recess into Executive Session for 20 minutes to discuss agency matters relating to Union Negotiations.

At 1:45 p.m. the Board reconvened from Executive Session. No action was taken.

Discussion (Cont’): Commissioner Sparks stated that as a Commissioner he must balance the interest of our employees and customers. He stated that he is concerned that we bargained for more than our customers are receiving in their workplace. It is much more than 3%. He stated that the only explanation he has heard is that the bargaining unit is dictating our actions. Commissioner Rowbotham understood Commissioner Sparks concerns. GM Boast stated that the Warehouse Person will be a union position and that the union was very aggressive in having this be a union position. He also stated that the positions of Utility Aide I & II will be removed and Warehouse Person be added.

Vote: Approve 3-0

New Business

7.1 **Information Technology Update:** No Action

7.2 **Warehouse Position:** GM Boast stated that the position is out for advertising and will close on June 27, 2014.

7.3 ***Pole Contact Reconciliation:*** GM Boast updated the Commissioners on the pole contact reconciliation.

7.4 ***Resolution #805 – Asset Management Policy:*** GM Boast presented the Commissioners with a draft policy. He requested the Commissioners review and comment and that he will bring to the next meeting.

Operations Report

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

OM Vosburgh reported on the following:

- ***Work Order Summary*** –7 new services.
- ***Crew Update***

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

- o I-90 Project – OM Vosburgh stated that this project is complete and that the crew is removing the old poles today.
- o Safety Meeting – The safety meeting was on fire and metering. OM Vosburgh stated that he has sent out a SOQ for safety training services but has yet to get a reasonable cost.
Commissioner Sparks asked if the District is too small to continue offering the same services. GM Boast stated that our process is to find the best service for the best price.
- o Dock Crew – OM Vosburgh stated that the dock crew has completed Stevens Road and will be moving onto Riverbottom Road then Smithson.
- o Basin Tree – Is currently working in the Upper County
- o Mini-Excavator – The mini-excavator and trailer have been delivered. It was discovered the trailer has damage so it will be returned under warranty.

8.3 ***Work Order Report:*** No Action

Engineering Report

9.1 ***Capital Project 202 – Smithson-Jenkins:*** GM Boast stated that the access road for this project is complete. He suggested a field trip with the Commissioners before the next meeting for them to view the progress.

9.2 ***Capital Project 203:*** GM Boast stated that design is 90% complete and hopes to go to construction in late July or early August. Commissioner Rowbotham was concerned about moving forward with the project without a formal easement and suggested maybe using a contract agreement of “as-built”.

9.3 BPA Planned Outage: GM Boast stated that the District is currently on a mobile substation and will be for approximately 30-45 days. During the short outage the crew was able to repair multiple connections on our own equipment.

9.4 Alpine Estates: GM Boast stated that landowners have received notification of the upcoming construction. He also stated that they have requested he attend an upcoming city council meeting to discuss the project.

9.5 Redundancy Study: GM Boast stated that this will require an RFQ.

9.6 Engineering Look Ahead: No Action

9.7 Outage Reports: No Action

9.8 Substation Report: No Action

Managers Report:

GM Boast reiterated that change can take time and can be difficult at times. He also stated that staff is committed and will continue on the path.

Commissioners Report

Commissioner Sparks –

- Attended the Small Reactor meeting. He also stated that Dale Atchison is retiring and will be going to NewScale. Commissioner Sparks also reported that he had attended the City of Cle Elum meeting on the possibility of a utility formation.

Commissioner Rowbotham –

- Shared customer complaints that he had received.

Commissioner Rogers –

- Concerned about BPA's methods of financing
- WPAG Conference call on Pot Farms.
- Conservation – Commented on marketing for conservation programs.


Executive Session:

At 2:50 p.m. Commissioner Rogers announced the Board would recess into Executive Session for 20 minutes to discuss agency matters relating to Litigation.


At 3:10 p.m. the Board reconvened from Executive Session. No action was taken.

Meeting adjourned at 3:15 P.M.


ATTEST:



Shan Rowbotham, Secretary



Paul Rogers, President



Roger Sparks, Vice President