

December 18, 2012

The regular meeting of the Board of Commissioners of PUD No. One of Wahkiakum County, Washington was held on the above date with President Eugene Healy presiding. Also in attendance were Board Vice President Robert Jungers, Board Secretary Dennis Reid, Manager David Trambly, Auditor Erin Wilson, Attorney Tim Hanigan, Secretary Jennifer Falconer, and Wahkiakum County Eagle News Reporter Betsy Nelson.

Commissioner Healy asked if there was a motion to approve the agenda as presented. Commissioner Jungers made a motion to approve the agenda as presented, and Commissioner Reid seconded. Commissioner Reid stated that he would like to add a discussion topic to the agenda regarding the meeting time for the January 15th meeting. The motion passed 3-0.

APPROVAL OF MINUTES:

On a motion from Commissioner Reid and a second from Commissioner Jungers the minutes from the regular meeting held on December 4, 2012, were approved as submitted. The motion passed 3-0.

APPROVAL OF FINANCES

With regard to the following electric and water vouchers submitted by Auditor Erin Wilson, Commissioner Jungers made a motion to approve the vouchers as submitted. Commissioner Reid seconded the motion. Commissioner Healy asked Auditor Wilson to present a few highlights on the vouchers. Auditor Wilson stated that all the vouchers submitted are standard except for a few. A check in the amount of \$6889.25 will be paid to Wahkiakum County for the new cost for the radio towers as agreed in the past. Also, a check for \$120,000.00 will be sent to BPA for November's power that was purchased, and a check for \$20,000.00 will be sent to Health and Welfare for the month of November as well. Commissioner Reid asked what the few small checks written to PUD No. 1 are for. Auditor Wilson replied that the checks represent REAP pledges paid on accounts that applied for assistance, were screened and qualified. Discussion ensued. The motion passed 3-0.

Electric	\$ 188,966.30
PIWS	\$ 10941.91
WWWS	\$ 3,574.30

PUBLIC COMMENT:

None.

REPORTS:

Manager Trambly:

Manager Trambly reported that he was asked to give an update on the status regarding the current issues with the Town of Cathlamet. The largest issue currently regards the water contract. The PUD sent a letter asking for some specific information, and a response from the town was received a couple days ago. Manager Trambly plans to review the information with Auditor Wilson the following week and move forward. A couple of other small issues are presently on hold. Discussion ensued.

Manager Trambly reported that the infrared inspection is completed. Minor issues were noticed during the inspection and corrected.

Manager Trambly reported that there was an outage at 2:30 am Monday morning from Sunday's windstorm. He mentioned that a fallen tree caused the power outage. At 10:30 am yesterday morning, Manager Trambly sent an electrical crew on patrol and an open cut out that fed two homes was found and the issue was fixed. Also, at 3:00 pm, a customer in the Flandersville area called and the electrical crew found an open cut out on an overhead transformer that fed one home. The problem was fixed. Discussion ensued.

Manager Trambly reported that there was a water break on West Little Island Road. He estimated the loss to be about 2000 cubic feet per day. The leak was difficult to locate, but was found and fixed. Discussion ensued.

Manager Trambly provided an update on the construction of the substation. BPA is on site this morning and is installing the tap. The disconnection switch has been opened, tagged and padlocked and BPA will energize to that until the PUD is ready to energize to the new transformer, which may not be until the middle of January. Discussion ensued.

Manager Trambly reported that it was planned in the budget to order a new truck. Manager Trambly found a half-ton Dodge truck through the state purchasing agreement for \$25,500.00 including tax. The old truck would be sent to auction. Discussion ensued.

Jennifer Hanigan entered the meeting at 9:27 a.m.

Auditor Wilson:

Auditor Wilson reported that the current balance for the REAP program is \$550.00. There have been a few pledges for assistance this month.

Auditor Wilson reported that she attended the four-hour webinar regarding updates on GAAP and GASB. There was a lot of information presented as well as approximately 200 pages of additional information were provided. Discussion ensued.

Attorney Jennifer Hanigan:

Attorney Jennifer Hanigan reported that her and Attorney Tim Hanigan recently attended the Washington Society of Municipal & PUD Attorneys conference. Attorney Jennifer

Hanigan stated that there was a request for information on three particular topics that were presented; public power's role in economic development, mistakes that public owners make when assembling contract documents, and the Dodd-Frank Act.

Attorney Jennifer Hanigan stated that in regards to economic development, it was noted that there is no express statutory authority for PUDs to directly engage in economic development as there is for cities and counties. Discussion ensued.

Attorney Jennifer Hanigan stated that the focus for the assembly of contract documents was on mistakes that can be made during the design, bidding and construction phases of public works projects and how utilities can minimize the risk of claims and additional time and cost. Discussion ensued.

Attorney Jennifer Hanigan stated that in regard to the Dodd-Frank Act, it was her understanding that there is quite a bit of legislation out there that has the potential to affect public utilities and its important to keep on the top of it so that we make sure we are keeping up with the ever increasing regulatory requirements.

Commissioner Jungers asked if there was any discussion in regards to liquidated damages and how they should be enforced during the presentation for assembling contract documents. Attorney Jennifer Hanigan stated that there was no discussion in particular to liquidated damages, however there was discussion regarding utilizing arbitration and communication and the procedures in the contract. Discussion ensued.

Commissioner Reid:

Commissioner Reid reported that he met with one of the local realtors recently. He was asked to pass on that this realtor has high praise for our PUD manager who has gone above and beyond his duties. Manager Trambie has been very helpful with some of the homes that have been foreclosed on in this area and being resold.

Commissioner Reid reported that he was also asked about the REAP program. The individual wanted to know more about how the REAP program worked and was interested in making a donation. Commissioner Reid stated that he explained the best he could, however he is thinking about writing a letter to the local newspaper about the REAP program and wanted to know more. Auditor Wilson explained that the donations are held in house. Customers looking for assistance can apply at the Wahkiakum Health & Human Services Department. Discussion ensued.

Commissioner Jungers:

Commissioner Jungers reported that he attended the Chamber of Commerce meeting last week. The current Chamber Coordinator is leaving her post and a replacement was hand picked by the Chamber Director, however a majority of the members at the meeting expressed rejection and voted to advertise the position for applications. Discussion ensued.

Commissioner Jungers reported that he attended the legislative forum that was held this morning at the courthouse and State Representative Dean Takko was present. Commissioner Jungers found the forum to be enlightening, very relaxed, and informative. Discussion ensued.

Commissioner Healy:

Commissioner Healy reported that he attended the PPC annual year-end meeting. There was a presentation given by the administrator of Bonneville, and the lobbyists for PPC discussed official problems in Washington, how things were at the moment and posturing for trying to get something done. Discussion ensued.

DISCUSSION TOPICS:

Scheduled Time for January 15th meeting

Commissioner Reid stated the WPUDA new commissioner training is the same day as the PUD board meeting scheduled for January 15th. Commissioner Reid was not sure if Commissioner Healy would like to attend the training, but he would like to attend. Commissioner Reid would like to discuss the possibility of moving the board meeting to another day. Commissioner Healy asked that the topic be added as an agenda item to the next meeting. Discussion ensued.

PUBLIC COMMENT:

None.

ACTION ITEMS:

Board Reorganization

Commissioner Reid made the motion to rotate board positions: Commissioner Jungers as chair, Commissioner Reid as vice president, and Commissioner Healy as secretary. Commissioner Jungers seconded the motion. The motion passed 3-0.

Resolution 1165 (Re-sign)

Attorney Hanigan stated that Resolution No. 1165 was passed at the November 6th board meeting, however the signature page was misplaced. The resolution was passed to the commissioners for resigning.

Membership Representatives

Commissioner Jungers made a motion to keep the current representation assigned for the upcoming year, and Commissioner Reid seconded the motion. The motion passed 3-0.

EXECUTIVE SESSION:

The board recessed at 9:48 a.m. to enter into executive session for sixty minutes regarding personnel review.

The board exited executive session at 10:48 a.m.

ADJOURNMENT:

The meeting was adjourned at 10:49 a.m.

Approval of the minutes of the regular meeting of December 18, 2012.

Eugene Healy, President

Robert Jungers, Vice President

Dennis Reid, Secretary