

**REGULAR MEETING OF PACIFIC COUNTY PUD COMMISSIONERS HELD
TUESDAY January 3, 2017.....**

The Board of Commissioners of Public Utility District No. 2 of Pacific County, Washington met in regular session at Raymond City Hall in Raymond, Washington at the hour of 1:00 P.M. Present were Commissioners Thompson, Swanson, and Anderson, Attorney Penoyar, General Manager Miller, Kayla Calabrese, Renae Powell, Mark Hatfield, Craig Murray, Jason Dunsmoor, Sharon Skadan, Greg Skadan, Ken Shupe, Leta Craig, Ron Craig, Gary Dennis, Steve Sheary, Keith Adams, Pat Myers, and Todd Bennington.

PLEDGE OF ALLEGIANCE

MINUTES:

- Minutes of the previous meeting were approved as written.

ITEMS FROM THE PUBLIC NOT ON THE AGENDA:

Greg Skadan had concerns regarding the Bay Center Water leak and what has been done to look for it as well as whether it will cause Bay Center Water rates to continue increasing. General Manager Miller informed him that the District has used many different avenues to try and find the leak. General Manager Miller also informed Mr. Skadan that the leak is only causing the pump for the well to run more, increasing the electricity usage, which does not have a significant impact.

Ken Shupe was also concerned about the Bay Center Water leak, stating that it was unacceptable. He also requested that any future pipe replacement be done using six inch pipe for growth as well as accommodation for fire hydrants. Mr. Shupe also had questions regarding the installation of a fire hydrant in the Bay Center area. General Manager Miller said that a letter had been sent to Greg Skadan in regards to his request for a hydrant.

Further discussion was held by Commissioner Thompson and Commissioner Anderson on possible funding for the Bay Center Water System.

Steve Sheary stated he was attending the meeting to represent those on Social Security who received a .3% increase and asked why the PUD management staff received an increase ten times that amount. He asked where the numbers came from. Commissioner Thompson explained to him that the figures for the increase came from other comparable utilities.

CORRESPONDENCE:

- Informational material was received from the following or in reference to: American Public Power Association, Columbia Basin Bulletin – Weekly Fish and Wildlife News, Newsdata Corporation, Northwest Public Power Association, the Washington PUD Association, Bonneville Power Administration and the Department of Energy, Energy Northwest, National Information Solutions Cooperative, Northwest RiverPartners, Public Power Council, Regional Dialogue Slice Implementation Group, State of Washington Department of Health Office of Drinking Water, and The Energy Authority.

MANAGER'S REPORT:

- General Manager Miller reported that the National Information Solutions Cooperative Board of Directors unanimously authorized the retirement of 30% of the organization's 2016 patronage capital, to be issued to members during the first quarter of 2017.
- General Manager Miller reported on a memo received from Head Storekeeper, Beverly Woods, indicating that the annual inventory will take place on January 7th at the Peninsula Operations Center and January 8th at the Willapa Operations Center.
- General Manager Miller reported no update for NoaNet.
- Reported on meetings held over the last two weeks.
- Reported on upcoming meetings scheduled for the next two weeks.

AGENDA ITEMS:

Motion made by Commissioner Swanson, seconded by Commissioner Anderson and passed entering into Service Extension Contracts with the following:

John Swartz
Sherry Eklund & Conrad Rios
(2) Steve & Karen Gray
Tony & Georgia Mourikis
David Putnam

At 1:21 pm, the second of two public hearings on proposed changes to the Travel and Credit Card Policies was started by General Manager Miller. The presentation was concluded at 1:30 pm.

At 1:32 pm, the second of two public hearings on Bay Center Water Department water rates was started by General Manager Miller. The presentation was concluded at 1:47 pm.

Motion made by Commissioner Anderson, seconded by Commissioner Swanson and passed adopting Resolution No. 1383, A Resolution Revising the Basic Charge for Water Service- Bay Center Water Department.

OTHER BUSINESS: NONE

COMMISSIONER'S REPORT:

Commissioner Swanson asked why mail addressed to him and sent to the PUD office was being opened before he received it. Administrative Secretary/Treasurer Kayla Calabrese informed him that the mail was opened in bulk quantities before being distributed and that personal mail was not separated out. Commissioner Swanson also asked why correspondence reports are not distributed to the Commissioners the week before the meeting, but understood that it is so General Manager Miller can gather all correspondence up to the meeting date.

Commissioner Anderson asked what the current interest rate is on the bond and discussed refinancing options. General Manager Miller and Finance Manager Mark Hatfield informed him that the current rate is approximately four percent and that they would look into refinancing

options. Commissioner Anderson also asked how the decision was made to name the new Willapa Operations Center building addition auditorium after Ron Hatfield and if the decision was made in a meeting. General Manager Miller informed him that it was discussed with the Commissioners and that it was not done in a meeting because it was a surprise for Ron Hatfield. Commissioner Anderson felt that it should have been done in a public meeting because it's vitally important for Commissioners to receive all the information to represent the ratepayers.

Commissioner Anderson began a discussion on the locating of underground customer service lines.

Commissioner Anderson asked that no money be spent on the Tokeland project until concrete numbers for the purchase of existing facilities were provided. General Manager Miller informed him that it will be put on a future meeting's agenda for discussion with the Commissioners.

Commissioner Thompson explained why she feels the management increases are needed to keep employees at the District.

Commissioner Swanson asked questions regarding the bill to Crisis Support Network and Wesco. General Manager Miller informed him that the money from the Warm Heart Program is distributed to Crisis Support Network twice per year in January and July and the bill to Wesco was for underground primary cable. Chief of Engineering and Operations Jason Dunsmoor explained that they use the dry Summer months to install underground conduit and pull the cable in the Winter.

ITEMS FROM THE PUBLIC NOT ON THE AGENDA:

Sharon Skadan asked how the Warm Heart money is distributed to PUD customers. Commissioner Thompson explained that Crisis Support Network handles the funds and determines eligibility based on the provided criteria.

Steve Sheary asked if the agreements with the District and General Manager Miller and Appointed General Manager Jason Dunsmoor were available for public disclosure. PUD Attorney Will Penoyar informed him that they are public records and subject to the Public Records Act.

There being no further business, the meeting was adjourned at 2:08 pm.

Vouchers duly verified and certified were presented to the Board of Commissioners, each specifying the amount to be paid and the purpose of each payment. Each voucher was duly audited by the Auditor of the District, and the Board approved said claims including Revenue Vouchers 195538 through 195638 in the amount of \$329,645.68.