

COLUMBIA RIVER PEOPLE’S UTILITY DISTRICT
Regular Meeting
January 17, 2017

A. CONVENE MEETING

The Regular Meeting of the Board of Directors of the Columbia River PUD was called to order by President, Jake Carter, at the Deer Island District Office at 6:00 p.m. The following individuals were present:

Directors:

Jake Carter
Rob Mathers
Craig Melton
Harry Price
*Debbie Reed***

Consultants:

Philip Griffin, Attorney
Chad Stokes, Cable Huston

Staff:

Rick Calnon, IT
Eli Crape, Operations
John Nguyen, Interim General Manager
Tracy Pinder, Accounting & Finance
Heidi Ralls, Administration
Branden Staehely, Engineering
Sonia Wendelschafer, Human Resources

Public:

Kyle Boggs	Joe Burks	Jack Carter	Sharon Carter
Dave Ehrenkranz	Barb Fail	Kay Fail	Kathy Hoffman
Mark Larson	Jennifer Nelson	Brady Preheim	<i>Debbie Reed **</i>
Mark Reed	Nancy Ward	Courtney Vaughn, Spotlight News	

1. **Pledge of Allegiance:** President Carter led the Board in the pledge of allegiance.
2. **Agenda – Requests for Additions or Deletions:** President Carter requested to add Item 13 - Small Utility Enterprise License Agreement and announced the Executive Session would be moved up on the agenda to accommodate travel time for attorney, Chad Stokes, of Cable Huston.
3. **Public Comment: None**

B. ITEMS FOR ACTION

1. **Appoint Director to Subdivision 1:** The Board relocated to the training room, accessible to the Public via closed circuit television, for deliberations on the appointment for Director of Subdivision 1. The Board concurred that all three candidates were very capable and well rounded; all sought harmony and what was best for the PUD; all declared a top priority of bringing the residents living on the Multnomah Channel into the political boundary. After considerable discussion, Directors H. Price/R. Mathers moved to appoint Debbie Reed to the position of Director for Subdivision District 1. *Vote: Unanimously approved.*

The Board returned to the main meeting room; President Carter publicly thanked all three candidates for applying for the position of Subdivision 1 and thanked Nancy for all of her efforts in running for the Board and for bringing the annexation issue to light.

2. **Oath of Office:** P. Griffin, General Counsel, administered the Oath of Office to Debbie Reed as Director for Subdivision 1.
3. **Election of Officers:** After some discussion, Directors C. Melton/R. Mathers moved to keep the Officer positions as they are: Jake Carter – President; Harry Price - Vice President; Craig Melton – Treasurer; and Heidi Ralls - Secretary. *Vote: Unanimously approved.*
4. **Appoint Board Management Advisory Team:** President Carter stated that Board Management Advisory Team is typically the President and one other Director. After some discussion, Directors R. Mathers/H. Price moved to appoint President Carter and Director Reed to the Board Management Advisory Team. *Vote: Unanimously approved.*
5. **OPUDA Voting Delegates:** President Carter provided background on voting delegates for the Oregon PUD Association. After some discussion, Directors C. Melton/R. Mathers moved to appoint Jake Carter as OPUDA’s Voting Delegate with Harry Price as the alternate. *Vote: Unanimously approved.*
6. **Executive Session:** The President advised that after a brief recess, the Board would reconvene in executive session under ORS 192.660(2)(h), consultation with counsel concerning legal rights and duties regarding current litigation or litigation likely to be filed AND: ORS 192.660(2)(f) to consider information or records exempt by law from public inspection.

A brief recess was called at 6:53 p.m. The Board reconvened in executive session at 6:55 p.m. The following were present: Directors: J. Carter, C. Melton, H. Price, R. Mathers, D. Reed; Staff: J. Nguyen, H. Ralls; General Counsel: P. Griffin; Other Counsel: Chad Stokes, Cable Huston; Press: C. Vaughn, Spotlight.

The Board reconvened in regular session at 7:33 p.m.

7. **Minutes, December 20, 2016 Regular Meeting:** Directors C. Melton/H. Price moved to approve the Minutes of the December 20, 2016 Regular Meeting as presented. *Vote: Unanimously approved.*
8. **Minutes, January 3, 2017 Special Meeting:** Directors C. Melton/H. Price moved to approve the Minutes of the January 3, 2017 Special Meeting as presented. *Vote: Unanimously approved.*
9. **Financial Reports for December 2016:** T. Pinder reviewed financial reports for December 2016 noting the income statement and balance sheet will not be available until year end closing occurs upon completion of the annual financial audit. She reported the auditors are expected on site in February, and that the December 2016, January 2017, and February 2017

should be available for review at the March 2017 regular meeting. Directors C. Melton/R. Mathers moved to approve the Financial Reports for December 2016 as presented. *Vote: Unanimously approved.*

10. Accounts Payable for December 2016: T. Pinder reviewed cash disbursements noting the amount is a bit higher due to the debt services payment. She provided descriptions and clarification on a number of payments. After little discussion, Directors C. Melton/H. Price moved to approve the Accounts Payable report for December 2016 as presented. *Vote: Unanimously approved.*

11. Wage and Salary Adjustment for 2017: S. Wendelschafer presented a summary of Employee Benefits. She then reviewed the background for the proposed salary adjustments for non-union employees. A review of the results from the 2016 NWWH Salary Survey revealed five positions are outside the +/- 6% of the maximum range used to evaluate position classifications and asked that consideration be given to reclassify the following positions:

- Accounting & Finance Supervisor from R15 to R20
- Administration Clerk from R2 to R3
- Administration Supervisor/Executive Assistant from R9 to R11
- Community & Public Relations Supervisor from R14 to R17
- Engineering Supervisor from R17 to R19

She continued that based on the NWWH Market Survey, a review of the local agencies, and the Oregon PUD's wage adjustments, a 2% wage adjustment for non-represented employees, effective February 1, 2017 is recommended.

After little discussion, Directors H. Price/R. Mathers moved to approve Option 1:

- a. Wage adjustment: 2% wage adjustment for all non-represented positions effective February 1, 2017.
- b. Salary Changes: Implement salary changes effective February 1, 2017.

Vote: Unanimously approved.

12. Policy 2-15: Retirement Plans - Revision: T. Pinder reviewed the background on the retirement plans offered by the PUD. She indicated staff proposes adding a 401(k) defined contribution plan to complement the current retirement plan options. Staff also proposed the 401(k) defined contribution plan should be structured to allow both pre-tax (traditional) and post-tax (Roth) contributions to be comparable to the District's 457(b) deferred compensation plan. After some discussion, Directors C. Melton/H. Price moved to adopt the revised Policy 2-15: Retirement Plans as presented by staff, which allows for the inclusion of a 401(k) defined contribution plan option for employees, in addition to the current offerings of a 457(b) deferred compensation plan and a 401(a) defined contribution plan. *Vote: Unanimously approved.*

13. Policy 1-11: Board Governance - Amendments: J. Nguyen reviewed the background of proposed amendments to Policy 1-11: Board Governance which includes incorporating new

language in the policy to include a Point of Order, and a guide to the use of electronic devices during meeting. The amendments also include renumbering and basic formatting changes to include the Complaint Procedures as approved at the September 2016 regular meeting. After some discussion, Directors R. Mathers/C. Melton moved to adopt Policy 1-11: Board of Directors Governance, with amendments as presented. *Vote: Unanimously approved.*

- 14. Small Utility Enterprise License Agreement:** J. Nguyen reported the small utility enterprise license agreement spans three years with a total cost which exceeds the \$50,000 signing authority of the General Manager. Directors C. Melton/H. Price moved to authorize the Interim General Manager to sign the Small Utility Enterprise License Agreement between ESRI and CRPUD for a three year term. *Vote: Unanimously approved.*

C. ITEMS FOR DISCUSSION

- 1. Annexation:** P. Griffin reviewed how to specifically address the situation with the floating homes on the Multnomah Channel. He recommends the Board take action to adopt two resolutions, one for Columbia County and one for Multnomah County, that will request the counties annex the floating homes into Columbia River PUD's political boundary and request the matter be set before the voters. After little discussion, Directors C. Melton/D. Reed moved to adopt Resolutions 17-01 for Columbia County and 17-02 for Multnomah County in the Matter of Annexation of Territory within the CRPUD's Allocated Service Territory. *Vote: Unanimously approved.*

P. Griffin also recommended a letter be prepared for the Oregon State Lands Division to request the property be included in the annexation. Directors C. Melton/R. Mathers moved to direct General Counsel to work with the Board President to prepare a letter to be sent to the Oregon State Lands Division to expedite the process. *Vote: Unanimously approved.*

2. Reports:

- a. Outages:** E. Crape reported December outages were very limited.
- b. Write-offs:** T. Pinder reported the proposed net write-offs are \$1,390.19. She reported the customer accounts department is working on a new process reach out more frequently to customers who appear to be at risk for right off as well as collect outstanding debt when the account is closed.
- c. Staff:** J. Nguyen reported the land purchase agreement has been signed by all parties, the environmental study should occur within two weeks, the appropriate papers have been filed with the FAA, and a site meeting is scheduled with the city of Scappoose.

S. Wendelschafer provided an update on recruitment and announced that December's employee of the month is Branden Staehely.

B. Staehely reported the City of St. Helens has started their street light replacement project. He also noted K & D Flaggers submitted a change order to increase their billing. They are still the lowest bid; the change order was approved.

E. Crape reported the crew completed an infrared scan of system. He also reported CRPUD crews assisted West Oregon Electric in their outage restoration efforts.

H. Ralls reported the 2017 property and liability insurance increase was less than 1% over 2016.

President Carter thanked R. Calnon for facilitating the closed circuit TV for interview process.

- 3. Board Comments:** Director Reed expressed appreciation for the Board's confidence in her and for the interview process. She stated she will represent Subdivision 1 with integrity and thanked her friends, family and voters for all their support.

Director Mathers commented that the organization is terrific and expressed appreciation for the members of the public who come to the meetings.

Director Melton welcomed the new Directors.

President Carter thanked the candidates and thanked Nancy Ward for running in the election.

- 4. Public Comment:** B. Fail asked the Board to consider streaming meetings and publishing the audio recordings on the website.

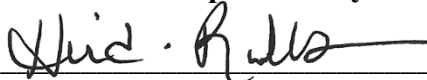
Brady Preheim thanked the Board for their action on the annexation. He expressed his disappointment with the appointment of the new Director and with the action of maintaining the current Board Chair. He offered comments on the Interim General Manager position.

Mark Larson thanked the Board for the appointment of the new Director. He commented on the ability of the Interim General manager and staff.

Jennifer Nelson thanked the crew and staff for restoration efforts during the bad weather.

There being no further business to come before the Board, the meeting was adjourned at 9:00 p.m.

Columbia River People's Utility District

By 

*** (Amendment made and approved by the Board at the 2/17/17 Regular Meeting)*