

COLUMBIA RIVER PEOPLE’S UTILITY DISTRICT
Regular Meeting
May 15, 2018

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

Staff:

Eli Crape, Operations
Kristen Dean, Customer Accounts
Tim Lammers, Energy Services
John Nguyen, General Manager
Lil Guisinger, Accounting & Finance
Heidi Ralls, Administration
Branden Staehely, Engineering
Sonia Wendelschafer, Human Resources

Consultants:

Public:

John Slape Jennifer Nelson

1. **Pledge of Allegiance:** President Carter led the Board in the pledge of allegiance.
2. **Agenda – Requests for Additions or Deletions:** Public comment will be moved before the public hearing. President Carter announced there will be two items for action added: Item 10: St. Helens WTC Repair; and Item 11: Spill Surcharge.
3. **Public Comment:** John Slape, West Rainier Water Association, came before the board to ask for consideration to pay for the materials to repair damage to the Water Association’s line that was dug into by Columbia River PUD crews. Locates were completed correctly; there was no way for the crew to know where the water lines were. After little discussion, Directors Melton/Mathers moved to reimburse West Rainier Water Association \$119.06 for materials to repair a water line that was dug into during line replacement. *Vote: Unanimously approved.*
4. **Public Hearing May 15, 2018 Electric Rate Schedule Changes for Rate Schedules 60, 61, 65, and 90.**

Open: President Carter opened the Public Hearing at 6:08 p.m.

Staff Comments: B. Staehely reviewed the background and information on each proposed rate change. Each rate schedule would reflect changes to mercury vapor, high pressure sodium, and metal halide lights with options for LED lights.

Public Testimony/Comments/Questions: None

Proponents: None

Opponents: None

Close: President Carter closed the Public Hearing at 6:28 p.m.

Deliberation: None

B. ITEMS FOR ACTION

1. **Minutes of the April 17, 2018 Regular Meeting:** Directors Mathers/Melton moved to approve the Minutes of the April 17, 2018 Regular Meeting as presented. *Vote: Unanimously approved.*
2. **Financial Reports for April 2018:** L. Guisinger reviewed the financial position of the PUD for April 2018. April month-end, total cash balances (including cash and investments, as well as long-term debt reserves) were equal to \$11,554,021. Cash, less long-term debt reserves, was equal to \$10,335,234. Directors Melton/Reed moved to approve the Financial Reports for April 2018 as presented. *Vote: Unanimously approved.*
3. **Accounts Payable for April 2018:** L. Guisinger reviewed a number of payments and provided clarification on others. Directors Melton/Mathers moved to approve the Accounts Payable Report for April 2018 as presented. *Vote: Unanimously approved.*
4. **Adopt Rate Changes for Rate Schedule 60:** After additional clarification from B. Staehely, Directors Melton/Price moved to adopt Rate Schedule 60 with changes to mercury vapor, high pressure sodium, and metal halide lights with option A from Exhibit 2 for LED lights. *Vote: Unanimously approved.*
5. **Adopt Rate Changes for Rate Schedule 65:** After little discussion, Directors Mathers/Reed moved to adopt Rate Schedule 65 as presented. *Vote: Unanimously approved.*
6. **Adopt Rate Changes for Rate Schedule 61:** After little discussion, Directors Melton/Price moved to adopt Rate Schedule 61 with the appropriate selections made by the Board that were adopted in rate schedules 60 and 65 information with Option A, which includes a capital recovery factor for the PUD's installation costs plus maintenance costs and energy costs. *Vote: Unanimously approved.*
7. **Adopt Rate Changes for Rate Schedule 90:** After little discussion, Directors Mathers/Melton moved to adopt Rate Schedule 90 as presented. *Vote: Unanimously approved.*
8. **Executive Session:** The President advised that after a brief recess, the Board would reconvene in executive session under ORS 192.660(2)(i), to review and evaluate the employment-related performance of the General Manager.

A brief recess was called at 6:59 p.m. The Board reconvened in executive session at 7:02 p.m. The following were present: Directors: C. Melton, R. Mathers, H. Price, J. Carter, D. Reed; Staff: S. Wendelschafer, H. Ralls, J. Nguyen; Press: None.

The Board reconvened in regular session at 8:47 p.m.

9. **Resolution 18-03: General Manager Salary:** S. Wendelschafer provided comparable salary information from Oregon and Washington, noting that the names of utilities were left off. The

Board concurred the General Manager's performance evaluation was extremely favorable and would consider a 5% increase. J. Nguyen asked the Board that, in lieu of an increase, he would suggest receiving an additional two weeks of personal leave as a one-time benefit. After little discussion, Directors Melton/Price moved to increase the General Manager's salary to \$210,000 and add an additional compensation of two weeks' personal leave, effective May 1, 2018. *Vote: Unanimously approved.*

- 10. St. Helens Substation WR-1 Transformer LTC:** B. Staehely provided information on the Load Tap Changer (LTC) failure experienced by St. Helens Substation WR-1 Transformer. After little discussion, Directors Melton/Reed moved to authorize the CRPUD General Manager to sign for the cost to replace the Center Phase Reversing Switch and the Drive Mechanism/Transmission, if required. Estimated cost of \$17K to \$60K. *Vote: Unanimously approved.*
- 11. Spill Surcharge:** J. Nguyen noted BPA moved forward with the court mandated spill. The bill will appear in the July billing. Our portion will appear on the July bill and will translate to approximately \$113K. The board has the option to pass on the charge to customers or to absorb the costs. The Board discussed the pros and cons for absorbing the cost or to take advantage of the opportunity to educate customers on the cost of spill and fish recovery. After additional discussion, Directors Melton/Mathers moved to absorb the \$112,946 estimated surcharge and use our reserves to pay that one time. *Vote: Unanimously approved.*

C. ITEMS FOR DISCUSSION

- 1. Rate Schedules 10A, 12A, 13A, 14A, and 15A for Non-Network Meters:** J. Nguyen explained these would be new rate schedules for Non-Network Meters. He described the difference between network meters which utilize remote readings and non-network meters which are read manually. He provided a historical background of the \$2.8 million project implemented beginning in the fall of 2003 and completed in 2006 for the installation of network meters on the entire system. Since the implementation, there have been a few requests to change from network to non-network meters, which comes with a substantial cost of \$41.00/month per meter. Staff is asking the Board to consider EES recommendations to adopt new rate schedules for those requesting non-network meters. Discussion occurred. The Board concurred the new rates should be significant enough to discourage changing to non-network meters. Network metering is more efficient and cost effective compared to the significant costs associated with non-network meters. The Board directed staff to present new rate schedules at the June Board meeting with an added \$40.00 on top of the \$12.50/month residential customer charge. No action taken.
- 2. Reports:**
 - a. Outages:** E. Crape reported that the April 11 outage was related to the load tap changer issue discussed earlier.
 - b. Write-offs:** K. Dean reported net write offs were \$961.70.
 - c. Staff:** B. Staehely reported opening for the Bedell Road project is scheduled for May 31. He pointed out the root cause analysis for the Virginia Transformer failure. He summarized the information provided in the Engineering staff report. Discussion ensued on the Betsy Johnson Substation.

S. Wendelschafer reported there will be testing and an interview tomorrow for the GIS Analyst position. She also reported the new Customer Account Representative will begin Monday. The Employee of the Month was the entire IT department. S. Wendelschafer announced Lonny Lee was promoted to Network Administrator I and Jared Motherway was promoted to Meter Relay Lineman. The Board offered their congratulations.

T. Lammers provided an update on the progress of contracting with ESG. We are looking at going live at the first of the month. He also reported the new website is set to appear sometime around the first of the month.

B. Staehely reported the Chevy Bolt is scheduled to arrive in July.

- 3. Board Comments:** Director Melton thanked Sonia for facilitating the General Manager evaluation process. He also thanked staff for all they do. Director Mathers seconded the thanks. Director Carter noted that without a great team, the General Manager can't do his job and the team can't do their job without a great leader. President Carter reminded the Board of the OPUDA Board meeting on Friday and the NWPPA Annual Conference is next week.

R. Mathers complimented staff on the Annual Report. J. Nguyen gave a shout out to Kyle Boggs for the graphics.

- 4. Public Comment:** None

There being no further business to come before the Board, the meeting was adjourned at 9:55 p.m.

Columbia River People's Utility District

By  _____
Heidi Ralls, Board Secretary