

COLUMBIA RIVER PEOPLE’S UTILITY DISTRICT
Regular Meeting
June 21, 2016

A. CONVENE MEETING

1. Pledge of Allegiance: President Carter led the Board in the pledge of allegiance.

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 Secretary called the roll of the Board. The following individuals were present:

Directors:

David Baker
Jake Carter
Craig Melton
Harry Price
Richard Simpson

Staff:

Libby Calnon, Community & Public Relations
Rick Calnon, IT
Eli Crape, Operations
Tim Lammers, Energy Services
Mikka Mullican, Customer Accounts
John Nguyen, Interim General Manager
Tracy Pinder, Accounting & Finance
Heidi Ralls, Administration
Branden Staehely, Engineering
Sonia Wendelschafer, Human Resources

Consultants:

Philip Griffin, Attorney
Karen O’Kasey, Attorney

Public:

Joann Lammers	Ron & Connie Quick	Jennifer Nelson	Jack Carter
Sharon Carter	Debbie Reed	Kathy Hoffman	John Odenthal
Judi Kellar	Rachel Swanson	Dave Ehrenkranz	Elva Mills

1. Convene Public Contract Review Board: Policy 2-25: Purchasing & Contracting: President Carter convened the Contract Review Board at 6:00 p.m. for purposes of reviewing purchasing policy updates.

J. Nguyen provided background and reviewed the proposed changes to the Exemptions for the Competitive Bid/Proposal Process of Board Policy 2-25. Those changes include removing legal services from the exemption list and adopting CRB Resolution 16-01 which allows the Board to award a General Counsel Services Contract either by Competitive Bid Process or by Direct Selection.

Director Melton asked if the PUD had gone out for bid for Audit Services in the last few years. J. Nguyen confirmed the PUD used the competitive bid process.

Directors C. Melton/H. Price moved to take action to adopt revisions to Purchasing Policy 2-25 and accept the new Contract Board Resolution 16-01, as presented. Vote: *Passes 4-1; Director Baker – opposed.*

There being no further business to come before the Contract Review Board, the Contract Review Board was adjourned at 6:08 p.m.

B. Regular Board Meeting

President Carter reconvened the Regular Meeting at 6:08 p.m.

J. Nguyen introduced the new Customer Services Supervisor Mikka Mullican. She comes from the St. Helens Community Credit Union. S. Wendelschafer introduced Rachel Swanson, new Accountant 1 and noted the most recent hire was Kyle Boggs, former sports editor at the Chronicle, as our Community/Public Relations Coordinator.

- 1. Agenda – Requests for Additions or Deletions:** President Carter noted SDAO Defense Attorney, Karen O'Kasey, will be here to provide an update on pending litigation in Executive Session. If the Board is agreeable, the Executive Session may be moved into a different time slot to accommodate Ms. O'Kasey's schedule. The Board concurred.
- 2. Public Comment:** None

C. ITEMS FOR ACTION

- 1. Minutes, May 12, 2016 Regular Meeting:** Directors D. Baker/C. Melton moved to approve the Minutes of the May 12, 2016 Regular Meeting as amended. *Vote: Unanimously approved*
- 2. Financial Reports for May 2016:** T. Pinder presented both the April 2016 and May 2016 Financial Reports. She noted May month-end, total cash balances including cash and investments, and long-term debt reserves were at \$8.2 million. The May financials contained another page, at Director Baker's request, providing additional detail and highlights included in the budget. Discussion occurred on the timing of the preparation of financials in conjunction to sending out the Board Packet. T. Pinder reminded the Board that completion of financial reports are determined by a number of factors including timing of payroll and receipt of power bills from BPA. She committed to sending the reports to the Board just as soon as they are available which could be as late as the day of the Board meeting. Directors C. Melton/H. Price moved to approve the Financial Reports for April and May 2016 as presented. *Vote: Unanimously approved*
- 3. Accounts Payable for May 2016:** T. Pinder reviewed several payments. With little discussion, Directors D. Baker/C. Melton moved to approve the Accounts Payable for May 2016 as presented. *Vote: Unanimously approved*
- 4. Selection Process – General Counsel:** J. Nguyen reviewed the background and summary of the action item, indicating Staff has no recommendation. Director Simpson commented that he would like to see an itemized statement of fees. J. Nguyen replied that the PUD does receive itemized statements but they contain confidential information not appropriate for public distribution. He suggested Directors meet with general counsel to review the

statements privately. P. Griffin noted any Board member could be set up in a private room at the law office to review the statements at little cost. Directors H. Price/C. Melton moved to appoint Philip S. Griffin of Clarke Griffin, LLC as Attorney of Record – General Counsel, by Direct Selection. Discussion: Director Baker asked if this motion meant there were no other bids, input or option to check anyone else out. President Carter confirmed that was correct with this motion. Director Simpson asked if there was a time limit on the contract. J. Nguyen noted there was no contract and the Board is free to review General Counsel’s services at any time. Vote: *Passes 4-1; Director Baker – opposed*

5. **Reschedule July 19, 2016 Regular Meeting to July 12, 2016:** Director Simpson noted a personal conflict on July 12. Directors C. Melton/H. Price moved to change the Regular Meeting to Tuesday, July 12, 2016 at 6:00pm. Vote: *Unanimously approved*
6. **Executive Session:** President Carter 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.

A brief recess was called at 6:43 p.m. The Board reconvened in executive session at 6:46 p.m. The following were present: Directors: R. Simpson, H. Price, D. Baker, J. Carter, C. Melton; Staff: J. Nguyen, H. Ralls; General Counsel: P. Griffin; SDAO Counsel: K. O’Kasey; Press: None.

The Board reconvened in regular session at 7:18 p.m.

D. **ITEMS FOR DISCUSSION**

1. **Reports:**

- a. **Outages:** E. Crape reviewed the outage reports for May 2016.
- b. **Write-offs:** M. Mullican noted the proposed write-offs appear a bit higher than typical. Staff is reviewing processes in an effort to reduce that number in the future.
- c. **Staff:** J. Nguyen reported that Sarah Burczak with BPA will be leaving the transmission group to go into BPA’s Communications, Media Relations, and Policy Writing group. Until permanent replacement can be secured, Reed Davis will be covering in her transmission duties.

S. Wendelschafer provided an update on recruitments noting an offer was made for the System Support Specialist I position. She announced Libby Calnon was promoted to Community & Public Relations Supervisor and Darin Smith was promoted to Program Analyst I. S. Wendelschafer reported Supervisors participated in a Workers Compensation training through SDAO. Staff is working on securing a trainer for an all employee communication and trust building training as a result of the Employee Satisfaction Survey conducted earlier in the year. Margi Williams was announced as Employee of the Month for May.

T. Lammers noted staff report item #18 is the amount paid out in incentives year to date, not May only.

B. Staehely reported the FEMA reimbursement will be available upon submission of final paperwork.

L. Calnon indicated the PUD float won the Mayor's trophy in the Kiwanis Parade. She reported several staff attended the CCET annual Meeting today, June 21st. She provided information on the Cascades Tissue project and the University of Sheffield manufacturing project.

E. Crape reported all poles are set on the Bachelor Flat Road project. This is the first project where vacuum excavation was used to dig 13 full depth holes in order to prevent potential problems with the large water line running in the area.

Director Price extended his appreciation to all staff for their continued hard work.

2. **Board Comments:** Director Simpson attended the NWPPA Annual Conference noting there will be more studies on solar and wind power in the future. He attended the OPUDA Board Meeting. Discussion occurred on "go bags" for staff and on preliminary projections from BPA for rate increases in 2017. President Carter attended a succession planning class at the NWPPA Annual Conference. He reported from the Conference that with the increased use of battery packs and lower energy use, COSA's are trending toward higher customer charges to ensure stability of infrastructure. Cyber security is the number one topic of security in the nation, above terrorism. He also noted electronics and apps that are considered "cool" to youth today should be integrated as a tool to encourage recruitment of the next generation into our industry.
2. **Public Comment:** John Odenthal of Warren inquired about the PUD's payment to ODOE for the Energy Supplier Assessment and asked about the increase in the property tax payment for 2016.

There being no further business to come before the Board, the meeting was adjourned at 7:52 p.m.

Columbia River People's Utility District

By Heidi Ralls
Heidi Ralls, Board Secretary