

COLUMBIA RIVER PEOPLE'S UTILITY DISTRICT
Regular Meeting
July 17, 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
Lonny Lee, IT
John Nguyen, General Manager
Lil Guisinger, Accounting & Finance
Heidi Ralls, Administration/Public Relations
Branden Staehely, Engineering
Sonia Wendelschafer, Human Resources

Consultants:

Steve Andersen, EES Consulting
Russ Schneider, EES Consulting

Public:

Jack Carter	Sharon Carter	Kathy Hoffman
Jennifer Nelson	Kathy Innocenti, Top Notch	Courtney Vaughn, Spotlight
Annie Nguyen	Joe O'Donnell, Ameresco	Matt Brown, City of St. Helens
Joann Lammers	Rick Scholl, City of St. Helens	Sue Nelson, City of St. Helens

1. **Pledge of Allegiance:** President Carter led the Board in the pledge of allegiance.
2. **Agenda – Requests for Additions or Deletions:** None
3. **Public Comment:** None

B. ITEMS FOR ACTION

1. **Minutes, June 19, 2018 Regular Meeting:** Directors Mathers/Price moved to approve the Minutes of the June 19, 2018 Regular Meeting as presented. *Vote: Four yes; one abstain, Director Melton was absent.*
2. **Financial Reports for June, 2018:** L. Guisinger reviewed the June Financial Reports. Directors Melton/Reed moved to approve the Financial Reports for June, 2018 as presented. *Vote: Unanimously approved.*
3. **Accounts Payable Report for June, 2018:** L. Guisinger reviewed several payments and clarified others. After little discussion, Directors Mathers/Melton moved to approve the Accounts Payable Report for June 2018 as presented. *Vote: Unanimously approved.*
4. **Adopt Changes: Policy 2-23: Cash Management:** L. Guisinger provided the analysis of changing the cash management policy to utilize a minimum 90 days cash on hand, which is the standard recommendation from banking institutions and bond ratings. After little discussion, Directors Reed/Mathers moved to adopt revised Policy 2-23 Cash Management, as presented by staff. *Vote: Unanimously approved.*

- 5. Adopt Resolution 18-04: Appoint General Manager to NRU Board of Directors:**
H. Ralls provided background for appointing a Director to the NRU Board of Directors. After little discussion Directors Mathers/Price moved to adopt Resolution 18-04 appointing John Nguyen, General Manager, as the Director to the NRU Board of Directors; granting the General Manager the authority to appoint an alternate for the purposes of casting votes at NRU Board of Directors meeting in the event the Director is unavailable. *Vote: Unanimously approved.*
- 6. Award Bid: Service Truck:** E. Crape reminded the Board the Bid for a new service truck was required due to a catastrophic failure of a current truck; time was of the essence. Two of four bids sent out were returned, with one vendor providing three options and the second providing two options. After little discussion, Directors Price/Melton moved to award the bid to Versalift for a bid price of \$136,767. This vehicle meets our specifications and would be delivered prior to our typical storm season. *Vote: Unanimously approved.*
- 7. Award Bid: Bedell Road Trenching Project:** B. Staehely provided information on the request to award the bid for the Bedell Road Trenching Project. After little discussion, Directors Reed/Mathers moved to award C & W Excavation for Bedell Road trenching and conduit, for a bid price of \$100,995. *Vote: Unanimously approved.*
- 8. Award Bid: Meissner Road Trenching Project:** B. Staehely reviewed the request to award the bid for the Meissner Road trenching project. After little discussion, Directors Melton/Reed moved to award Project A and B to C&W Excavation for Meissner Road trenching and conduit for a bid price of \$147,714.82. *Vote: Unanimously approved.*
- 9. Economic Development Grant Program – Top Notch Thrift Store:** H. Ralls reviewed the proposal. Kathy Innocenti spoke on behalf of the request, noting that while the grant was being written, Scappoose Senior Center discontinued providing Meals on Wheels so the need for aid to seniors in Columbia County from St. Helens has increased. After little discussion, Directors Melton/Mathers moved to approve the grant proposal and award the requested \$1,773.50, in whole, to Top Notch Thrift Store to aid in the expansion of the sales floor space. *Vote: Unanimously approved.*

C. ITEMS FOR DISCUSSION

- 1. City of St. Helens – Lighting Rate:** J. Nguyen provided some background information on the topic of discussion. He reviewed the rate process and a recent history of lighting rates. He turned the floor over to Matt Brown of the City of St. Helens and Joe O'Donnell from Ameresco. Mr. Brown noted Mayor Rick Scholl and Sue Nelson from the City of St. Helens, were present as well. Mr. Brown reviewed some of the issues facing the City of St. Helens as a result of the lighting rate increase. Mr. O'Donnell provided background on his lighting conversion proposal to the City of St. Helens in 2016. Mr. Brown provided three recommended solutions: the PUD pay the City of St. Helens \$480,000 to pay toward the debt service and to allow flexibility for the City to accept rates as they are and any potential future rate increases; change Rate 60 from a 72% increase for the City, to a five percent increase; or, rescind the resolution increasing lighting rates and go through the rate advisory committee. Discussion occurred regarding the assumptions made in the City's decision to secure a 15 year loan. There was further discussion regarding the PUD's process for rate increases and the Cost of Service Studies conducted bi-annually. After considerable discussion, the Board directed the Management Advisory Team to meet with staff to bring a

recommendation back to the Board at the regular August Board Meeting, adding that any recommendation would be forwarded to the City prior to the August meeting.

2. **Mid-Year Budget Review:** L. Guisinger and the leadership staff provided a comprehensive mid-year review of the 2018 Operating and Capital Budget. The financial position of the PUD is positive with the cash balance increasing. There is no anticipated need for budget cuts for 2018. The year-end total cash forecast is at \$9.6 million, an increase of \$1.56 million over budget.

3. **Reports:**

- a. **Outages:** E. Crape noted there were a number of single outages last month.

- b. **Write-offs:** K. Dean reported net write offs for June are \$1,813.54.

- c. **Staff:** L. Lee provided a demonstration of the new CRPUD website.

H. Ralls shared the Mid-Year Update flier and asked for volunteers for the Fair.

B. Staehely provided an update on the Betsy Johnson Substation project.

S. Wendelschafer reported on Vi VonAllmen's retirement and indicated Colleen Pellham was promoted into the position of Operations Assistant/Warehouseman. S. Wendelschafer also noted that staff raised \$155 for the humane society during Bring your Dog to Work day.

J. Nguyen shared his expectation that the NISC contract will be signed by the end of the week. Upon signing, we anticipate the conversion to "go-live" process is close to a 12 months period.

4. **Board Comments:** R. Mathers congratulated T. Lammers on Employee of the month; he thanked John, Sonia, and Eli for arranging for a ride-along (job shadow) for a recent graduate.

Director Price thanked John, Branden, Tim and other staff for providing information on the City of St. Helens issue.

Director Melton commended staff on the Mid-year review. Directors Reed and Carter concurred.

5. **Public Comment:** Jack Carter urged the Board to continue adjusting rates until they align with the COSA recommendations.

There being no further business to come before the Board, the meeting was adjourned at 8:55 p.m.

Columbia River People's Utility District

By  _____
Heidi Ralls, Board Secretary