

COLUMBIA RIVER PEOPLE’S UTILITY DISTRICT
Regular Meeting
October 18, 2016

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:

David Baker
Jake Carter
Craig Melton
Harry Price
Richard Simpson

Staff:

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

Consultants:

None

Public:

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|----------------------------|------------------|----------------------|-----------------|
| Heather Arnis | Colleen Belisle | Jack Carter | Sharon Carter |
| Cindy Chapman | Vincent DeFazio | Scott DeGraaf | David Grant |
| Mary Fawcett | Kathy Hoffman | Elma Klisen | Joann Lammers |
| Mark Larson | Karen Leonard | Annette Looney | Alta Lynch |
| Rob Mathers | Elva Mills | Jared Motherway | Jennifer Nelson |
| John Odenthal | Leonard Peterson | Brady Preheim | Debbie Reed |
| Sietse Vaughn | Nancy Ward | Andrew Wendelschafer | |
| Courtney Vaughn, Spotlight | | | |

- 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:** Leonard Peterson, Scappoose, read a statement requesting the Board allow residents living in houseboats/moorages along the Multnomah Channel in South Scappoose to vote for the PUD Subdivision One candidates in the election.

Nancy Ward, Scappoose, read a statement to the Board requesting they resolve the situation regarding houseboat/moorage residents in south Scappoose not being able to vote for Subdivision 1.

Director Baker requested the Board add an action item to the agenda in regard to the floating homes in South Scappoose.

Brady Preheim, St. Helens, urged the Board to resolve the election issue.

Elva Mills, retired employee, thanked the employees and staff for public power week and expressed her appreciation to the Board who participated and for allowing retirees to participate as well.

Alta Lynch expressed concern that the election issue hadn't been resolved in 2012.

Mark Larson, Warren, offered an opinion on the election issue regarding where the meters were located.

David Grant, Scappoose, indicated he testified in 1999 in favor of allowing electors to vote and was led to believe the issue would be followed up on at that time.

Kathy Hoffmann indicated the issue is something that was just brought to the attention of the current Board and Administration, it is something that has been overlooked for a long time and needs to be fixed.

Karin Leonard, floating home in Scappoose, requested the Board take care of the issue in order for residents to vote in this election.

B. ITEMS FOR ACTION

- 1. Minutes, September 20, 2016 Regular Meeting:** Directors C. Melton/R. Simpson moved to approve the Minutes of the September 20, 2016 Regular Meeting as submitted. *Vote: Unanimously approved*
- 2. Financial Reports for September 2016:** J. Nguyen reviewed the Financial Summary for September 2016. It was noted at the mid-year review in July, expected cash total at year end was just at \$8 million; the new projection for year-end cash balance is close to \$8.9 million. Directors C. Melton/R. Simpson moved to approve the Financial Reports for September 2016 as presented. *Vote: unanimously approved*
- 3. Accounts Payable for September 2016:** J. Nguyen reviewed several payments. Director Baker inquired what the breakdown was for the payment to Clarke Griffin. J. Nguyen replied the \$12 thousand charge is for general matters and the other three are for separate legal matters. After little discussion, Directors H. Price/C. Melton moved to approve the Accounts Payable as submitted. *Vote: unanimously approved*
- 4. Authorization to Bid: 2017 Annual Line Materials:** B. Staehely provided background and reviewed the request for authorization to bid for the 2017 annual line materials. Directors C. Melton/R. Simpson moved to authorize staff to solicit sealed bids for purchasing line construction materials for 2017 with the bid opening to be held at the office

of Columbia River PUD on November 18, 2016 at 3:30 pm pacific prevailing time. *Vote: Unanimously approved*

5. **Substation Property:** J. Nguyen provided background on the request to negotiate for the purchase of land for a substation in the Scappoose area. He indicated current load along with growth projections indicate a new substation in the Scappoose area will be required to satisfy the PUD's established N-1 criteria for system reliability. The Board discussed a few options. Directors C. Melton/R. Simpson moved to authorize the General Manager to enter into negotiations with the Seller of the Property near West Lane Road to establish a sales price, subject to Board Approval, and enter into a Purchasing Agreement. *Vote: Unanimously approved*
6. **Multnomah Channel/Floating Homes:** Directors D. Baker/C. Melton moved that all PUD customers possible, barring any legal reasons, be allowed to vote and run for the PUD Board effective immediately. *Vote: Unanimously approved*

C. ITEMS FOR DISCUSSION

1. **General Terms and Conditions - Updates:** J. Nguyen reported Staff went through a process of updating the General Terms & Conditions, noting the summary provided in the Board packet captured all changes. He urged the Board to review the changes and offer any additions or changes to staff prior to the November Board meeting when staff will request Board approval.
2. **Reports:**
 - a. **Outages:** E. Crape reported there was an outage involving an auto disconnect collar and non-payment. The arrangements were done over phone with the wrong customer having power turned off. Procedures are now in place to avoid this from occurring in the future.
 - b. **Write-offs:** M. Mullican indicated the large amount in write-offs is due to the inability to collect from a joint pole contract customer whose company was dissolved. She indicated there was some sign of effort in making payments but they are small.
 - c. **Staff:** S. Wendelschafer provided an update on recruitment. Patrick Hart started October 17 as a utility worker. She reported that Karl Webster and Mike Arend were the Employees of Month for September.

B. Staehely reported the rock holes project was completed. He indicated there have been discussions with PGE regarding the potential to tie into the transmission line on West Lane Road. There don't appear to be any road blocks preventing the PUD from using the transmission line.

L. Calnon mentioned there were 400 in attendance at the Customer Appreciation Dinner. 37 Staff, Retirees, and family members were on hand to help out.

J. Nguyen reported on the BPA rate process noting the projection for the Power increase had been in the range of 3-9%. We've received word the rate should be closer to 4%. On the transmission side the original projection was 3-5% but now can safely say closer to 3%. He continued that even with those lower rates, staff is using a conservatively higher rate when preparing the 2017 budget.

L. Calnon also noted the Bi-Op was remanded to agencies. The agencies launched a process with a series of meetings to be held throughout the region with one slated for Astoria in December. She will send the dates out to the Board.

- 3. Board Comments:** Director Melton requested an update on water leak on Bachelor Flat Road.

Director Baker stated that in the 16 years on the PUD and OPUDA Boards, and nine years on a school Board, he's never heard a President make a motion until last few months. He indicated it was his opinion that the PUD General Manager is the most important job in Columbia County. It is also his opinion that keeping an interim general manager for two years with no test, no interview, no discussion with the Board, and no vision from the Board to the General Manager is irresponsible leadership and unmatched in any public agency. *Nobody on the Board has seen his resume.** Lastly, he stated that in the last two years, the Board has tried to embarrass and silence Director Baker and he feels that had he been quiet he would have never been able to look at himself in the mirror. President Carter reputed the statements that he tried to embarrass Director Baker. He indicated the Interim General Manager has been with the PUD since 1987 and is running the utility under budget, putting more into reserves with fewer employees. President Carter also stated it takes a vote of the Board to hire a General Manager.

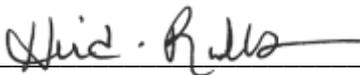
- 4. Public Comment:** Nancy Ward, Scappoose, thanked the Board for the action taken in regard to the residents of floating homes.

Mark Larson, Warren commented on the timing of the voter issue being brought to the Board.

- 5. Executive Session:** None

There being no further business to come before the Board, the meeting was adjourned at 7:08 p.m.

Columbia River People's Utility District

By 
Heidi Ralls, Board Secretary

**As amended and approved by the Board at the November 15, 2016 Board Meeting.*