

**COLUMBIA RIVER PEOPLE’S UTILITY DISTRICT
Regular Meeting
December 11, 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 & Billing
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:

Nick Herman, Counsel
Clarke Griffin, LLC

Public:

Jack Carter Sharon Carter Jennifer Nelson Taylor OBrien (and Clara)

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

J. Nguyen introduced our newest employee, Taylor OBrien, Billing Analyst I/Customer Accounts Representative. Taylor provided a brief background on her education, work history, and family. The Board welcomed her to the utility.

2. **Agenda–Requests for Additions or Deletions:** One correction–Change Public Hearing to read: 2019 Operating and Capital Budget.
3. **Public Hearing 2019 Operating and Capital Budget:**

Open: President Carter opened the Public Hearing at 6:06 p.m.

Staff Comments: L. Guisinger provided the background and summary of the proposed 2019 Operating and Capital Budget. The total budget of \$40,374,475 includes a planned cash decrease of \$1,300,000, bringing the anticipated 2019 year-end balance to \$8.3 million, which is approximately \$500,000 above the minimum cash balance set forth under Policy 2-23. The contributing factor to the cash decrease is the allocation of \$1.3 million for the replacement of the power transformer, circuit breakers, and steel structure at the St. Helens substation.

Public Testimony/Comments/Questions:

Proponents: Jack Carter expressed his appreciation to be on the committee and fully supports the 2019 Budget.

Opponents: None

Close: President Carter closed the Public Hearing at 6:08 p.m.

Deliberation: Director Price declared a potential conflict of interest with the 2019 Operating and Capital Budget as his daughter is employed by Columbia River PUD.

The Board concurred that staff is doing everything right in having the ability to absorb \$1.3 million to make necessary emergency repairs and being frugal. J. Nguyen thanked the Board on behalf of staff for the kind words. He acknowledged that staff works very hard at being as efficient and cost effective as possible.

4. Public Comment: None

B. ITEMS FOR ACTION

- 1. 2019 Operating & Capital Budget & Five-Year Strategic Plan:** L. Guisinger provided a recap of the proposed options. After little discussion, Directors Melton/Reed moved to adopt the 2019 Operating and Capital Budget and five-year Strategic Plan in its entirety. *Vote: Four yes; one abstention, Director Price.*
- 2. Minutes, November 20, 2018 Regular Meeting:** Directors Mathers/Price moved to approve the Minutes of the November 20, 2018 Regular Meeting as presented. *Vote: Unanimously approved.*
- 3. Financial Reports for November 2018:** L. Guisinger reported that due to the timing of this meeting, the financial information, in its entirety, had not yet been received. The November 2018 Financial Reports will be presented at the January Board Meeting. No action was taken.
- 4. Accounts Payable for November 2018:** L. Guisinger provided detail on a number of payments. After little discussion, Directors Melton/Reed moved to approve the Accounts Payable Report for November 2018 as presented. *Vote: Unanimously approved.*
- 5. OPUDA Voting Delegate:** After little discussion, Directors Melton/Price moved to appoint Director Reed as the 2019 voting delegate for OPUDA and Director Price as the alternate. *Vote: Unanimously approved.*
- 6. Reschedule January 15 Board Meeting:** J. Nguyen noted that he will be on vacation from January 3–18 and is requesting the Board consider rescheduling the January Board meeting to January 22. After little discussion, Directors Melton/Mathers moved to reschedule the January 15 Board meeting to January 22. *Vote: Unanimously approved.*
- 7. Resolution 18-06: Canvass the Vote & Certify the 2018 Election for CRPUD Board:** H. Ralls reviewed the purpose of Resolution 18-06. After little discussion, Directors Melton/Mathers moved to adopt Resolution 18-06: Canvass the Vote & Certify the 2018 Election for CRPUD Board. *Vote: Unanimously approved.*

Director Reed's Term of Office: There was some discussion regarding the length of Director Reed's term of office. Counsel's initial presumption is that the term is the standard four years. The Board directed Counsel to research and provide an official

legal opinion on whether Director Reed has been elected to a four year term or if it is a two year term.

8. **Amend Policy 1-12: Certification of Board Candidate Eligibility:** N. Herman spoke to the changes proposed in Policy 1-12, adding a preliminary report of eligibility in September followed by the formal report by the December meeting. After little discussion, Directors Melton/Mathers moved to amend Policy 1-12: Certification of Board Candidate Eligibility as presented. *Vote: Unanimously approved.*
9. **Resolution 18-05: Revisions to Rate Schedule 97–Net Metering:** B. Staehely reviewed the revisions to Rate Schedule 97-Net Metering. After discussion, Directors Mathers/Melton moved to adopt staff recommendation Option 1: after hearing all public input and comments, and making changes as deemed necessary and appropriate, adopt Board Resolution 18-05: Revisions to Rate Schedule 97-Net Metering as recommended by staff, effective with bills rendered after January 1, 2019. *Vote: Unanimously approved.*
10. **Authorize Bid–Annual Line Materials for 2019:** B. Staehely reviewed the request for authorizing a bid for annual line materials. After little discussion, Directors Melton/Reed moved to authorize staff to solicit sealed bids for purchasing line construction materials for 2019 with the bid opening to be held at the office of Columbia River PUD on January 17, 2019 at 3:30 p.m. Pacific prevailing time. *Vote: Unanimously approved.*
11. **Amend Healthcare Policy for CRPUD Retirees:** S. Wendelschafer provided a detailed background of the request, indicating there were questions on the interpretations and ORS statutes that required legal review. Staff worked with legal counsel on the proposed amendments. S. Wendelschafer clarified there are additional changes throughout the proposed amended Policy which provide clarification for interpretation of the policy and do not change existing retiree benefits. After further discussion, Directors Mathers/Melton moved to adopt the revised Health Care Policy for Columbia River PUD Retirees with an effective date of January 1, 2019, as presented by staff. *Vote: Unanimously approved.*

C. ITEMS FOR DISCUSSION

1. **PERS Employer Incentive Fund (EIF):** L. Guisinger provided information on the upcoming PERS Employer Incentive Fund, Rate Relief Program and presented a PERS UAL Analysis which demonstrates that we may be eligible to receive a maximum match of \$400,000 if we invest \$1.6 million. The application process is slated for 2019 but no definite date has been set. She indicated PERS is considering the matching date to be as early as 2021 with a shortened time frame to apply. Considerable discussion occurred; no action was taken.
2. **Reports:**
 - a. **Outages:** E. Crape reported that due to the early timing of this meeting, the outage report for November was not available for compilation. The November outage report will be presented in January. There were very few weather related outages in November. There was some discussion regarding mutual aid agreements with contract and neighboring utilities.

- b. **Write-offs:** K. Dean reported a large miscellaneous billing was written off due to a settlement with a car hit pole event from 2012. This brought the total write-off amount to \$2,865.83.
- c. **Staff:** J. Nguyen reported that BPA published their projected rates, noting their final decision will be released in July. It appears CRPUD's power rate will be 3.4 percent. With the loss of the residential rate exchange of about 3 percent, our overall power increase is expected to end up at just about 6 percent. He also reported on a potential broadband study with the City of St. Helens.

B. Staehely reported on the meeting he had with PGE. He also provided information on the WR1-LTC. A contractor has been hired to perform an investigation. We expect to have more information after December 17.

K. Dean provided an update on the pay stations. SHFCU indicated they will no longer provide pay station services for customers. Arrangements have been made to install payment drop boxes in every City Hall – Rainier, St. Helens, and Scappoose. Bank of the West still offers pay station services and Staff is exploring other options.

S. Wendelschafer announced the promotion of Brooke Sisco to Field Engineer 1. She also announced that Margi Williams was selected as employee of the month for December.

L. Lee provided an update on the increased Comcast connection for the PUD.

H. Ralls reported calendars have been mailed and should be arriving in mailboxes soon. She also reported on the presentation she and Director Carter made at Clatskanie PUD.

T. Lammers reported on a future meeting with a large industrial customer interested in energy efficiency.

E. Crape reported the budgeted fuel tank will be installed soon.

- 3. **Board Comments:** Director Price congratulated Eli and Jennifer on the state championship football game their boys played in for Rainier High School.

- 4. **Public Comment:** None.

There being no further business to come before the Board, the meeting was adjourned at 7:29 p.m.

Columbia River People's Utility District

By 
Heidi Ralls, Board Secretary