

**PUBLIC UTILITY DISTRICT NO. 1 OF COWLITZ COUNTY, WASHINGTON**

**MINUTES OF MEETING OF COMMISSIONERS**

**Regular Meeting of March 23, 2010**

**PUD Auditorium**

**Present:**

**Commissioners:**

Edward "Ned" Piper, President

Mark McCrady, Vice President

**Staff:**

Brian Skeahan, General Manager

Don McMaster, Chief Operating Officer

Pat Lloyd, Auditor

Paul Brachvogel, General Counsel

Dave Andrew, Mgr. Comm. & Govt. Affairs

Gary Huhta, Director of Power Management

Royce Hagelstein, Director of Acctg. & Finance

Rick Syring, Director of Engineering

Sandy Willman, Executive Assistant

Monte Roden, Director of Operations

Heather Allen, Risk Manager

Russ Nobel, WECC Compliance Engineer

Jeff Moses, Purchasing Manager

Diana MacDonald, Mgr. Environmental &

Chris Marlowe, Operations Superintendent

Regulatory Services

Sharyl Whitmire, Credit Services Supervisor

Casey Kalal, Electrical Engineer Standards

**Media:**

Betty Wilson, KLTV

**Public:**

Rosalie Watwood

**Call to Order** – Pursuant to published Notice, the Regular meeting of the Commissioners of Public Utility District No. 1 of Cowlitz County, Washington was called to order at 2:00 p.m. by Commissioner Piper.

**Motion for Excused Absence** – Motion was made by Commissioner McCrady and seconded by Commissioner Piper that Commissioner Ketcham be granted an excused absence from the day's proceedings. Motion carried.

**Approval of the Minutes** – The minutes of the regular Board meeting of March 9, 2010 were approved as published.

**Approval of Vouchers of \$14,540,622.88** – The Commission reviewed vouchers audited and certified by Auditor Pat Lloyd as required by RCW 42.24.080 and RCW 42.24.090 for which warrants were issued on March 23, 2010, under provisions of Resolution No. 1421. Motion was made by Commissioner McCrady to approve the vouchers and seconded by Commissioner Piper. Motion carried. Warrants drawn to cover said vouchers are as follows:

<u>Fund</u>	<u>Voucher Nos.</u>	<u>Amount</u>
Electric Revenue	15717 – 15919	\$14,008,309.18
Swift Revenue	02387 – 02392	20,548.43
Payroll	1786	511,765.27

**Comments from the General Public** – Customer Rosalie Watwood inquired about the customer Basic Charge of \$5 and asked several questions regarding BPA. Commissioners Piper and McCrady responded.

**Presentations and Reports from Staff / Directors**  
(Informational, Non-Action)

**Brian Skeahan, General Manager** – Provided an update of the District's membership with The Energy Authority (TEA), which is scheduled for approval at TEA's Board of Directors' meeting of March 30, 2010. He also reported that an outside party has requested application of our Economic Development policy to resurrect the Cameron Glass facility in Kalama. Ultimately it will be the Board's decision to approve the economic incentive plan that will be prepared by District's staff.

**Royce Hagelstein, Director of Accounting & Finance** – Presented the January and February Board reports. Commissioner McCrady asked if the District anticipated the need for an additional bond issue prior to the opportunity to purchase the White Creek project. Brian responded that, absent an attractive generation opportunity between now and then, his hope was that there may not be the need for an additional bond sale prior to that time, assuming that the next Board approved long range capital improvement plan is scaled back in the manner which we have had some informal discussions.

**Royce Hagelstein, Director of Accounting & Finance and Paul Brachvogel, General Counsel** – Provided a review of the TEA membership documents, the implementation of which is a condition precedent to the District's membership in TEA.

**Gary Huhta, Director of Power Management** – Presented the January and February Board reports.

**Russ Noble, WECC Compliance Engineer** – Presented the WECC quarterly Board report.

**Dave Andrew, Manager Communications & Govt. Affairs** – Provided an update on the status of SB6614 that clarifies the applicability of business and occupation tax to conservation programs with BPA. Dave was confident the Governor will be signing this bill. He also gave an update on the State DOT project to promote electric vehicles and charging stations along I-5. Dave also gave an update of the District's involvement in upcoming community events.

**Agenda Action Items**

**Staff Recommendations:**

**No. 13/3/23** – Bid Award – Dock Crew Contract of Storm and Emergency Response for 2010 (Tab 3, Board packet)

Chris Marlowe, Operations Superintendent, reported the District advertised for bid and mailed the bid package to 18 potential contractors. The District received 13 bids. Hawkeye Construction Inc. was the successful bidder and based on their competitive bid, work reputation and safety record it was recommended that the District enter into a one-year contract of April 13, 2010 to April 12, 2011, with the ability to extend two additional years upon mutual agreement. Commissioner McCrady moved to approve staff's recommendation and seconded by Commissioner Piper. Motion carried.

**No. 14/3/23 – Bid Award – Primary Underground Cable (Tab 4, Board packet)**

Jeff Moses, Purchasing Manager, and Casey Kalal, Electrical Engineer Standards, reported the District advertised for bid to establish the District with a three-year supply arrangement to meet future 15 kV EPR Aluminum 750 and 1000 MCM underground primary cable needs. Four bids were received. This arrangement ties the District directly to the manufacturer’s production schedule and offers the advantage of a firm supply of cable meeting the exact specifications, ability to quickly respond to unexpected changes in product demand, a reduction in the District’s required stock inventory and associated overhead costs and additionally freeing up space in the storage yard. Okonite provided the District with 500 ft. unbundled and 1,000 ft. bundled cable minimum order which gives more flexibility, minimal waste and the unbundled single-phase cable is stocked in Okonite’s Portland facility. Staff recommended the purchase of Okonite cable. Commissioner McCrady moved to approve staff’s recommendation and seconded by Commissioner Piper. Motion carried.

**Board Reports – None**

**Other Business:** Betty Wilson mentioned at the KLTV annual banquet we received the Government Conference for Reporting award.

**Comments:**

**From the General Manager:** None


**From the Commissioners:** None

**From the Chief Operating Officer:** Don McMaster provided an update on the construction of the new server room and mentioned the weigh-in for the food drive is Friday.

**Adjournment –** The next regular Board meeting of the Commission would be held Tuesday, April 13, 2010 at 2:00 p.m. in the PUD Auditorium. The meeting was adjourned at 4:20 p.m.

  
\_\_\_\_\_  
Secretary

Attest:

  
\_\_\_\_\_  
President

Excused by Motion

\_\_\_\_\_  
Vice President

Prepared by \_\_\_\_\_  
Sandra Willman, Clerk of the Board