

REGULAR MEETING
OF PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY

October 23, 2018

The Commission of Public Utility District No. 2 of Grant County, Washington, convened at 9:00 a.m. at Grant PUD's Main Headquarters Building, 30 C Street SW, Ephrata, Washington with the following Commissioners present: Terry Brewer, President; Bob Bernd, Vice-President; Dale Walker, Secretary; Tom Flint, Commissioner; and Larry Schaapman, Commissioner.

A round table discussion was held regarding the following topics: United Way Outreach Campaign; 2019 proposed budget review; Dispatch operational performance audit update; line truck inspections; Jericho substation update; recent fiber outage in the north Coulee area; and an email request from Glen Stockwell for continued Grant PUD support of Columbia Basin Project efforts.

Ron Roth, Safety Coordinator, presented the October Safety Report.

Jeremy Nolan, Financial Analyst II, reviewed the kWh Retail Load and Revenue Variance Report.

Kevin Marshall, COO; Brent Bischoff, Senior Manager of Power Delivery Engineering; and Russ Seiler, Manager of Power Delivery Projects; reviewed the Power Delivery Performance Report.

An executive session was announced at 11:30 a.m. to last until 11:45 a.m. to discuss potential litigation with legal counsel present pursuant to RCW 42.30.110(1)(i). The executive session concluded at 11:45 a.m. and the regular session resumed.

The Commission attended an employee sponsored United Way Outreach luncheon.

The afternoon portion of the meeting was opened by reciting the Pledge of Allegiance.

Bonnie Overfield, Senior Manager of Finance / Treasurer, and Michael Facey, Controller, introduced Moss Adams audit service team members Laurie Tish, Managing Partner, and Brian Daines, Audit Manager. Ms. Tish and Mr. Daines held an entrance meeting with the Commission to review the 2018 audit plan.

Sharon Hastings, Ephrata, challenged the Commission to rethink how fiber buildout dollars are budgeted going forward. In addition, Ms. Hastings voiced concern over generational fairness and expressed support for a Grant PUD technology improvement project. However, she requested the same technology opportunities be granted to Grant PUD residents who are waiting for completion of the fiber buildout project.

Tyler McMillan, Ephrata, questioned the logistics behind the fiber build out schedule and requested Commission consideration of adjusting the schedule to allow for expedited service availability to neighborhoods within the South Ephrata / Dodson Road / Cross B Estates areas.

Correspondence was noted from Charles W. Shaver, CEO Nouryon, notifying Grant PUD that as of October 1, 2018, AkzoNobel Specialty Chemicals has been sold to The Carlyle Group and is now a standalone company under the new name of Nouryon.

Consent agenda motion was made by Mr. Schaapman and seconded by Mr. Flint to approve the following consent agenda items:

Payment Numbers	86221	through	86691	\$10,935,115.78
Payroll Direct Deposit	130483	through	131164	\$ 1,575,305.76

Payments 130479 through 130482 were a correction of prior payroll errors and do not represent an actual disbursement to employees.

Meeting minutes of October 9, 2018.

After consideration, the above consent agenda items were approved by unanimous vote of the Commission.

Motion was made by Mr. Schaapman and seconded by Mr. Flint granting the General Manager/CEO authority to accept the July 23, 2018 Crescent Bar proposal to amend lease and repayment terms associated with payment of Crescent Bar's share of the water/wastewater system costs, provided that the Crescent Bar Homeowners Associations first pay the past due balance of Crescent Bar, Inc. for the leasehold taxes in the amount of \$20,282.00, plus accrued interest at the statutory rate.

After consideration, the motion passed by majority vote of the Commission with Commissioners Brewer and Walker voting in the opposition.

The Commissioners reviewed future agenda items.

The Commission calendar was reviewed.

Jeff Bishop, CFO, led a follow-up discussion on the 2019 proposed budget.

Russ Brethower, Senior Manager of Wholesale Fiber, reviewed the Wholesale Fiber Business Report.

An executive session was announced at 2:50 p.m. to last until 3:00 p.m. to discuss performance of a public employee with legal counsel present pursuant to RCW 42.30.110(1)(g). The executive session concluded at 3:00 p.m. and the regular session resumed.

An additional executive session was announced at 3:00 p.m. to last until 3:15 p.m. to discuss performance of a public employee with legal counsel present pursuant to RCW 42.30.110(1)(g). The executive session concluded at 3:15 p.m. and the regular session resumed.

The Commission attended procurement training.

There being no further business to discuss, the October 23 meeting officially adjourned at 3:50 p.m.



ATTEST:

Dale Walker

Dale Walker, Secretary

Terry L Brewer

Terry Brewer, President

Robert W. Bernd

Bob Bernd, Vice President

Tom Flint

Tom Flint, Commissioner

Larry Schapman

Larry Schapman, Commissioner