AGENDA

Time:  
KPUD Commission Meeting – Start Time of Regular Meeting, 2:00pm

Location:  
1313 S. Columbus Ave. – Goldendale, WA

- **Pledge of Allegiance**
- **Approval of Minutes** – 11/23-24/2015 Meetings & 10/27/2015 Strategic Planning Workshop
- **Approval of Claims / Vouchers** for period ending 12/08/2015  *(Anita)*
- **Approval of Payroll** for period ending 11/15/2015  *(Anita)*

**PUBLIC COMMENT PERIOD**

- **REPORTS** – 10 min. each:
  - Commissioners’ Reports
  - Manager’s Bi-Monthly Report (Jim Smith)
    *see attached report*
  - Generation Assets – Nov. Report (Kevin Ricks)

**GUESTS:**

**AGENDA ITEMS** *(see Manager’s Report for further details)*

A. 3:00pm: 2016 OPERATING BUDGET HEARING  *(Jim)*

B. ADOPTION OF 2016 OPERATING BUDGET  *(Jim)*

C. RESOLUTION No. 1703 - ADOPTION OF ELECTRIC RATES  *(Jim)*

D. ADJOURNMENT

FOR THE GOOD OF THE ORDER:

12/10 – PPC Annual Meeting, Portland (Ray, Jim)
12/17 – GGP Meeting, Seattle (Jim)
12/25 – KPUD Offices Will Be Closed
01/01 – KPUD Offices Will Be Closed

Note: Agenda is subject to last-minute revisions which may include additions, deletions and/or changes.
AGENDA ITEMS

A. 3:00pm – 2016 Operating Budget Hearing – President Mosbrucker to open the public hearing at 3:00pm for public comments on the 2016 operating budget. After hearing public comments, the hearing will be closed. The budget being presented is unchanged from that presented at the November 24, 2015 Board meeting.

B. Adoption of Operating Budget – The operating budget has been presented and discussed with the Board on two previous occasions. Following the public comment period I will be asking the Board to make a motion to adopt the 2016 operating budget, either as presented or as modified by the Board after the public budget hearing.

C. Resolution No. 1703 – Public rate hearings were held on November 23rd in White Salmon, and on November 24th in Goldendale, as advertised. Public comments were heard at these hearings and the comments recorded in the November 23-24, 2016 Board Minutes.

Based on Commission direction, I will be asking the Board on Tuesday to adopt Resolution No. 1703, thereby approving rate increases as follows:

- 3% effective on bills issued after January 1, 2016;
- 3% effective on bills issued after July 1, 2016.

NON-AGENDA ITEMS

1. Meetings – None. Given bad weather and an only short WPUDA Manager’s meeting in Seattle, I elected to stay in town and work with staff.

2. Wishram Well Project CDBG Schedule Issues – We informed the local community in Wishram via letter about the schedule for the project and there are some concerned citizens. One of those citizens contacted Commissioner Mosbrucker this week. Since then, Sharon Blodgett and Russ Patton each discussed issues directly with some of the community council members. Our understanding is their concerns center on water availability during next summer for watering and for fire protection and they believed that we would have the well completed prior to next summer. It is clear in the funding requirements that we cannot do any work prior to the contracts being signed by CDBG. Those will be completed in the next couple of weeks. Looking back, I am not sure we understood that requirement, but it was probably not a realistic expectation to have the project completed before summer of 2016 and we should have made that clear. The schedule, as we see it today, looks like:

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• 12/15/15: County executes CDBG agreement.
• Jan 2016: KPUD places formal request with County for matching grant.
• Jan-Mar 2016: Begin engineering and property negotiations / acquisition.
• Mar-July 2016: Water right acquisition for new well site.
• Mar-July 2016: SEPA/NEPA, permitting, preliminary engineering.
• July-Nov 2016: Final Engineering and bid documents.
• Nov-Dec 2016: Call for Bids.
• Jan-May 2017: Construction.

The schedule depends strongly on the site that is selected as the lower well site will require significantly more engineering to get the water to the upper reservoir without creating excessive pressure in the lower elevations. Our intent is to get this project done as quickly as possible without jeopardizing our CDBG grant.

We expect that several members from the Community will be attending the Commission meeting to discuss their concerns.

3. McNary Crane Failure Update – Kevin’s detailed report is included in his monthly report, for your reference. A key item of note is we have both damage and business interruption insurance. I would be happy to talk through questions you may have at the meeting as Kevin will be away.

4. Renewable Natural Gas Project Guidance – John and Kevin have been working with their team and John would like to provide an update, as well as get some direction from you in moving forward.

5. Strategic Planning – I want to show a short 17 minute video of Elon Musk’s debuting of Tesla Energy. It is very thought-provoking and fits in well with our previous discussions on rate design and your desire to establish rates that sustain customer choice, while protecting customers who wish to retain full service. I think it will generate discussion in how we move forward with strategic planning and help refine direction for me to work with.