



Public Utility District No. 1 of Klickitat County

75 Years of Service

1938-2013

GENERAL MANAGER'S REPORT TO THE BOARD

For the August 25, 2015 Meeting

AGENDA ITEMS

- A. McNary Hydroelectric Project – Bob Guidinger with N. Wasco PUD and Don Jarret, PE –Engineer with McMillen, will be present at Tuesday's meeting to discuss with the Board the McNary Hydroelectric Fishway turbine runner blade replacement project.
- B. 2014 Financial Audit – Julie Desimone with Moss-Adams will be here Tuesday to review the results of our 2014 financial audit with the Board.
- C. Resolution No. 1699 -- Staff is presenting Resolution No. 1699 for the Board's adoption, to authorize the Materials Manager and/or Chief Operating Officer to declare surplus any such items with an original purchase price of less than \$10,000, with the exception of real property, and to dispose of these items in a prudent manner through standard KPOD procedures. A list of items that have been determined for surplus is included in your packets.

NON-AGENDA ITEMS

1. Highway 8 Fire Litigation – We received notice from our attorney that the Supreme Court granted the PUDs' motion to file the amicus brief in support of Klickitat PUD's petition. The State's answer must be filed by September 2, 2015. There will not be any additional briefs allowed and it's expected we won't have the Court's decision on granting or denying the petition for several months.
2. Bond Sale – John Janney will be presenting the results of the 2015 bond refunding and borrowing. Attached is a presentation that we will walk through at the meeting.
3. BPA Friends of the Gorge Settlement Update – Following our previous discussions and joint sessions with County Commissioners, attached is a letter sent to BPA regarding the status of our proposed projects under this agreement. I asked them to attend one of our meetings to discuss their rationale with us in person. I have not yet given up hope on getting the funding.
4. Power Management Position Update – We have completed phone interviews with 4 highly qualified individuals for this position. We will be following up with them for in-person interviews early in September. Gwyn, Ron Ihrig, John Janney and I will be participating in the interview process.

I want to mention that Mike DeMott, who has stepped into the Power Manager position on an interim basis, is also interested in the position. I think that this interim opportunity is working well for him and for the utility as well, and I want to acknowledge his efforts.

Brandy Myers is also doing a great job filling in in the Customer Service Supervisor position.

5. Newspaper Articles – In case you missed them, attached are recent articles from *The Enterprise & The Goldendale Sentinel* in regard to our bond ratings and refinancing activities.
6. Safety Meeting Presentation – I spoke about the potential RNG project at our last safety meeting. I covered how it works, how it could impact us financially, as well as the risk component of the project. I also touched base on the Chief Financial/Risk Officer position and what John's focus areas will be. Attached are my notes for your information.