

# Minutes of the Regular Commission Meeting of Public Utility District No. 1 of Chelan County, Washington January 7, 2019

The regular meeting of the Commission, of Public Utility District No. 1 of Chelan County, Washington, was held in the office of the District, 327 N. Wenatchee Avenue, Wenatchee, Washington, on January 7, 2019, at the hour of 10:00 pm, pursuant to proper notice thereof.

**Commissioners present:** Garry Arseneault, President  
Steve McKenna  
Ann Congdon  
Randy Smith  
Dennis Bolz

**Staff present:** Steve Wright, General Manager  
Erik Wahlquist, General Counsel  
Teresa Boushay, Acting Clerk of the Board  
Various staff

**Others in attendance:** Sophie Bolz and Joycelyn Bolz of Wenatchee, Pat McGrath of Spokane

## **Call To Order**

- President Arseneault called the meeting to order at 10:00 am

## **Swearing in of re-elected Commissioners**

- Rebekah Garfein, Clerk of the Board, performed the swearing in of Randy Smith and Dennis Bolz who were re-elected to the Board of Commission in the November 2018 General Election

## **Pledge of Allegiance and Safety Minute**

- Kelly Cordell, Wildlife Biologist, led the pledge and provided a safety minute on the importance of clearing your car of snow and ice before driving

## **Agenda**

- The agenda was approved as presented

## **Example of Supporting Education**

- Steve Wright, General Manager, described the District's emphasis on Individual Development Plans (IDP) with the Tuition Reimbursement Program as one example of an IDP
- Gregg Carrington, Managing Director Energy Resources, introduced Sarah McCue who recently completed her Master's in Business Administration, after gaining her Bachelor of Science in Business Management ahead of scheduled timeline; Sarah extended her gratitude for the program and support from the Board

### **Thank you to Commissioner Bolz**

- Commissioner Arseneault extended his gratitude to outgoing Board President Dennis Bolz for his leadership, direction and communication during 2018 dealing with complex issues

### **Quarterly Electrical Load Growth Update**

(see Chelan PUD website for presentation)

- Chad Rissman, Distribution Asset Management Director, and Andy Wendell, Customer Service Director, provided a look-ahead at this year's growth trends forecasting a 3.5% increase this year
  - New construction including apartments/condos, hotels and industrial facilities
  - Repurposing and upgrading existing facilities
  - Newly adopted cryptocurrency rates and policies have affected the forecast and decreased the amount of new applications

### **2019 District Performance Plan Review**

(see Chelan PUD website for presentation)

- Steve Wright, General Manager, introduced the 2019 District Performance Plan
- Managing Directors provided details on the objectives in their business units
- Key areas of focus include continuing to pay down debt, investing in physical assets and people, and developing a 2020-2024 strategic plan
- Resources will be supporting sustaining hydro capability, distribution reliability, continued fiber expansion, innovation, independent operations, safety, and operational excellence

### **Recessed at 12:00 pm and Reconvened at 1:00pm**

### **2019 District Performance Plan Review**

- Managing Directors continued their overview of 2019 Performance Plan

### **Consent Agenda**

- President Arseneault presented the consent agenda which included the following items:
  - Minutes of the December 17, 2018 Regular Meeting
  - Vouchers: Accounts Payable Summary Report dated January 2, 2019:
    - Vouchers totaling \$34,047,729.35;
    - Approval of Customer Deposit Returns and Conservation Incentive payments for the period December 12, 2018 through January 1, 2019 in the amount of \$66,614.80;
    - Approval of the net Payrolls, Warrant Nos. 236293 through 236311 and Advice Nos. 665144 through 665892 for the pay period ending 12/09/2018 in the amount of \$1,976,505.98;
    - Approval of the net Payroll, Warrant Nos. 236312 through 236331 and Advice Nos. 665893 through 666679 for the pay period ending 12/23/2018 in the amount of \$2,253,695.87;
    - Approval of Warrant Nos. 251444 through 25212 totaling \$75,073.28 for claim payments from the workers' compensation self-insurance fund for the period ending December 31, 2018.

### **MOTION**

Moved by: Commissioner Smith

Seconded by: Commissioner Congdon

To approve the consent agenda as presented

Approved: Unanimously

### **Manager Items**

- John Stoll, Managing Director Customer Utilities, noted the customer lobby of all PUD offices will be closed on January 21, 2019 - Martin Luther King, Jr. Day, for staff training
  - Topics include: Cryptocurrency policies and rates; Testing and training on the upcoming new Customer Information System (CIS)
- John Stoll also mentioned Distribution crews who helped Utilities restore service in Western Washington at both Snohomish PUD and PSE, through mutual aid agreement, just before Christmas and again this past Sunday

### **Commission Items**

- Commissioner Smith reported Kelly Boyd stepped up with short notice to guide the Strategic Planning Presentation to the Cashmere Rotary last week
- District association assignments were determined to remain as previous year. Commissioner Congdon is on the Board of NWPPA and Arseneault is the member representative of NWPPA
- Commissioner McKenna proposed the following:

#### **MOTION**

Moved by: Commissioner McKenna

Seconded by: Commissioner Congdon

To set a special meeting January 21, 2019, at 9:30am at the Commissioners Boardroom, 327 N Wenatchee Ave, Wenatchee, for the purpose of being oriented to the BoardEffect paperless boardroom platform

Approved: Unanimously

- Additional information requested to determine if 30 minutes is enough time
  - Clerk of the Board, Rebekah Garfein gave a brief update on status of iPads, software and training outline

#### **MOTION**

Moved by: Commissioner McKenna

Seconded by: Commissioner Bolz

To re-schedule the start time from 9:30am to 9:00am for the January 21, 2019, special meeting of the Board of Commissioners

Approved: Unanimously

### **Commissioner Travel**

- Lisa Sanders, Finance Admin Assistant, gave an update on Commissioner travel for 2019

### **Follow Up on Delegation of Action Items from the 12/17/18 Board Meeting - none**

### **Additional Public Comment - none**

### **Delegation of Action Items**

- Andy Wendell and Chad Rissman will provide an update on substation landscaping and beautification to include College, Mission, and Cashmere substations
- Justin Erickson (Michelle Smith) will give an update on Orondo Park, including Douglas Port spending priorities

- Katie Marshall will provide a status report on the progress of the NESC contracted survey and engineering services in support of fiber expansion after Q1 progress is measured
- Kelly Boyd will follow up with potential Board dashboard options later in the year
- Justin Erickson (Alene Underwood) will provide information on Lamprey protection and requirements at Tumwater Dam
- John Stoll (Ron Slabaugh) will update Commissioners on the Olalla Canyon spring issue


**Executive Session**

President Arseneault convened an executive session at approximately 1:57pm to discuss with legal counsel agency enforcement actions, litigation, potential litigation to which the District or its board is, or is likely to become, a party, and/or legal risks, as authorized by RCW 42.30.110(1)(i), to consider matters affecting national security, as authorized by RCW 42.30.110(1)(a)(i); and to consider information regarding the infrastructure and security of computer and telecommunications networks, security and service recovery plans, security risk assessments and security test results to the extent that they identify specific system vulnerabilities pursuant to RCW 42.30.110(1)(a)(ii) for approximately 90 minutes.


**Regular Session Reconvened at 3:37pm**

- President Arseneault stated no votes were taken and no decisions were made during Executive Session

There being no other business, the meeting adjourned at 3:37pm.

  
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 President

  
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 Vice President

  
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 Secretary

  
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 Commissioner

  
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