

MINUTES OF REGULAR MEETING OF THE COMMISSION
OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON

October 3, 2016

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 North Wenatchee Avenue, Wenatchee, Washington, on October 3, 2016, at the hour of 10:00 a.m., pursuant to proper notice thereof.

Commissioners present were Randy Smith, Carnan Bergren, Dennis Bolz, Ann Congdon, Garry Arseneault ~~was excused~~. In attendance were General Manager Steve Wright, General Counsel Erik Wahlquist and Clerk of the Board Sheila Salmon.

Others in attendance: Steve McKenna, Steve Hair and Christine Pratt (Wenatchee World).

Mark Mullins led the Pledge of Allegiance and provided a safety minute.

President Smith presented the Agenda for approval. Items 12, 13 and 17 were move to the Consent agenda. The agenda was approved as modified.

Walkley Scholarship Drawing – Each year Commissioners submit a nomination to the Washington Public Utility Association for the Walkley Educational Scholarship. Each nominee has to be a high school senior and the son or daughter of Chelan County PUD employee. This year's nominee is Nicole Hudson, daughter of Kirk and Andrea Hudson.

Water System Planning and Water Use Efficiency Update – Ron Slabaugh, Water/Wastewater Manager, presented the update. (See www.chelanpud for the presentation.) The 2003 Municipal Water Law requires municipal water suppliers develop and implement plans to use water efficiently. Every six years the plan is update. Commissioners will review the plan on October 17, 2016 and ask for public. Staff plans to request Board approval at the November 17, 2016 regular meeting. The plan will then be submitted to the Department of Health for their approval.

Mid-Columbia Joint Transmission Project Update - (See www.chelanpud for the presentation.)

Chelan River Habitat Channel Sediment Removal (See www.chelanpud for the presentation.)

2017 Budget and Targets (See www.chelanpud for the presentation.)

The meeting recessed and reconvened at 1:00 p.m.

Public Hearing – High Density Load Moratorium - Business Advisor Lindsay Mohns provided an update on the High Density Load Moratorium to January 3, 2017

A motion was made by Commissioner Bolz, seconded by Commissioner Bergren to extend the moratorium the moratorium to January3, 2017. Commissioner Smith recused from the vote.

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President Smith presented the revised consent agenda which consisted of the minutes of the September 6, 2016, September 20, 2016; and September 26, 2016 Mid-C General Managers/Commissioners meeting for approval.

Charge offs to Uncollectible Accounts over \$1,000.00 for July 2016 – \$12,726.24

The Auditor's memorandum dated September 27, 2016 supporting documentation and District's Computer Report, which certify, pursuant to RCW 42.24.080, that the District received certain goods, services and other considerations specified therein and describes as follows were presented for approval:

1. Vouchers totaling \$8,270,249.88;
2. Approval of Customer Deposit Returns and Conservation Incentive payments dated September 27, 2016 in the amount of \$25,794.35;
3. Approval of the net Payrolls, Warrant Nos. 234696 through 234726 and Advice Nos. 621324 through 622054 for the pay period ending 09/18/2016 in the amount of \$1,756,081.06; and
4. Approval of Warrant Nos. 22811 through 22851 totaling \$9,349.84 for claim payments from the workers' compensation self-insurance fund for the period ending September 26, 2016.

A motion was made by Commissioner Arseneault, seconded by Commissioner Bolz and passed adopting the revised Consent Agenda consisting of the September 6, 2016, September 20, 2016; and September 26, 2016 Mid-C General Managers/Commissioners, the above listed vouchers which are on file in the offices of the District.

Commissioners considered the following resolutions:

RESOLUTION NO. 16-14067 AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A MAINTENANCE OBLIGATIONS AND OWNERSHIP AGREEMENT (CONTRACT NO. 15TX-16092) WITH BONNEVILLE POWER ADMINISTRATION

RESOLUTION NO. 16-14068 AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A SERVICES AGREEMENT (SA NO 16-034) WITH AON CONSULTING, INC OF NEW JERSEY FOR EMPLOYEE BENEFIT CONSULTING

RESOLUTION NO. 16-14070 ADOPTING A CUSTOMER PRIVACY POLICY AND DIRECTING ITS IMPLEMENTATION TO COMPLY WITH RCW 19.29A.100

RESOLUTION NO. 16-14071 REJECTING THE BID OF TRANSAMERICAN POWER PRODUCTS, INC. OF HOUSTON, TX AND ACCEPTING THE BID OF WIRELESS

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STRUCTURES CONSULTING, INC. DBA WESTERN UTILITY TELECOM, INC. OF SALEM, OR (BID 16-57) FOR MCKENZIE-BEVERLY 115KV UPPER WHITE PINE RELOCATION – SUPPLY OF STEEL POLE STRUCTURES

RESOLUTION NO. 16- 14069 RATIFYING FIELD WORK ORDER NO. 1, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 15-62 WITH K & N ELECTRIC MOTORS, INC. OF SPOKANE VALLEY, WA AND AUTHORIZING PAYMENT OF RETAINAGE

RESOLUTION NO. 16-14072 APPROVING BIDDING DOCUMENTS FOR BID NO. 16-60, ROCK ISLAND B1-B4 GENERATING UNIT MODERNIZATION AND AUTHORIZING THE GENERAL MANAGER OF THE DISTRICT TO PUBLISH NOTICE INVITING SEALED PROPOSALS FOR SAID PROJECT

RESOLUTION NO. 16-14073 REJECTING THE BID OF HALME BUILDERS AND ACCEPTING THE BID OF CONTECH SERVICES, INC. OF SEATTLE, WA (BID 16-SW20) FOR ROCK ISLAND POWERHOUSE 1 CONCRETE REPAIR BENEATH LOBBY DECK

A motion was made by Commissioner Bolz, seconded by Commissioner Bergren and passed to adopt Resolution Nos.16-14068 thru and 16-1079, which are on file in the office of the District.

Commissioner reviewed upcoming travel with Administrative Assistant Lisa Sanders.

President Smith convened an Executive Session at 2:00 p.m. 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(l)(i). He said he anticipated reconvening into regular session at 2:47 p.m.

Reconvening the meeting into regular session at 2:47 p.m., President Smith stated no actions and no votes were taken.

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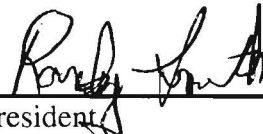
There being no other business, the meeting adjourned at 2:45 p.m.



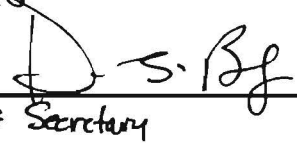
Vice President



Commissioner



President



~~President~~ Secretary



Commissioner