

# Minutes of the Regular Commission Meeting of Public Utility District No. 1 of Chelan County, Washington December 16, 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 December 16, 2019, at the hour of 10:00 am, pursuant to proper notice thereof.

**Commissioners present:** Garry Arseneault, President  
Dennis Bolz (by phone, afternoon only)  
Ann Congdon (by phone)  
Steve McKenna (by phone)  
Randy Smith

**Staff present:** Steve Wright, General Manager  
Erik Wahlquist, General Counsel  
Rebekah Garfein, Clerk of the Board  
Various staff

## **Call To Order**

- President Arseneault called the meeting to order at 10:01am

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

(see Chelan PUD website for presentation)

- Kassie Bertilson, Staff Internal Auditor II, led the pledge and provided holiday safety tips

## **Agenda**

- Resolutions 12, 13 and 14 were moved to the consent agenda; the agenda was approved as revised

## **Cycle of Personal Ownership (CPO) Winner Recognition**

(see Chelan PUD website for presentation)

- Steve Wright, General Manager, recognized November CPO winners Loretta Coonfield, Senior Accounting Analyst, and Todd Walsh, Senior Systems Analyst

## **Advanced Metering (AMI) Opt Out Follow Up**

(see Chelan PUD website for presentation)

- Lindsey Mohns, Customer Utilities Business Manager, gave an update on the AMI opt out policy reflecting Commissioner guidance and updated information on meter capabilities
- Ray Potter, Journeyman Meterman, noted that it is not feasible to refurbish analog meters, they can only be adjusted slightly before requiring disposal
- Staff will move forward with the one-time opt-out fee set at zero with an ongoing study of costs and the monthly fee set at \$50 with a 50% discount for low-income senior and disabled customers
- Commissioners are interested in offering an analog meter option, at a higher monthly cost
- Public comment will be accepted until December 30, 2019; all comments will be shared with Commissioners

### **Service Center Facilities Update**

(see Chelan PUD website for presentation)

- Dan Frazier, Director of Shared Services, and David Lodge, Project Manager II, gave an update on the Service Center, proposing an additional 10,000 sq. ft. be added to the building to accommodate additional program understanding and growth
- Designing the building to near-full capacity diminishes the District's resiliency to respond to future needs
- Space allocation per person was reviewed against a benchmark; the additional 10,000 sq. ft. would get us closer to the State standard and add back in some collaborative spaces that had been eliminated
- Adding that space now will cost \$5-6M versus a cost of \$10.8-13M later depending on timing
- Business case alternative options would be equal or more costly if we applied updated assumptions
- Commissioners expressed support for adding an additional 10,000 sq. ft. to the Service Center building A

### **Public Power Benefit (PPB) Program**

(see Chelan PUD website for presentation)

- Felicity Saberhagen, District Services Business Manager, gave an update on 2019 PPB funding and presented recommendations for 2020 funding
- \$125,000 remains of 2019 funding; Commissioners support using those funds for Discovery Center exhibits
- The 2020 update will include: overall program update, revised financial funding criteria, and decision on remaining 2020 funds

### **Chelan-Manson Transmission Outreach and Alternative Selection**

(see Chelan PUD website for presentation)

- Steve Wickel, Transmission Engineering Manager, and Jenna Rahm, Customer Outreach Specialist I, reviewed outreach to date; no public comments or questions were received during the outreach process
- The proposed plan is to rebuild the line from Chelan Falls switchyard to the Union Valley substation
- This is the first big project out of the fire hardening risk assessment; it is costly, but the right thing to do

### **Fish & Wildlife Update**

(see Chelan PUD website for presentation)

- Alene Underwood, Fish & Wildlife Manager, Ian Adams, Hatchery Maintenance and Operations Manager, and Catherine Willard, Senior Fisheries Biologist, gave an update on the fisheries program
- Reviewed effectiveness of new Passive Integrated Transponder (PIT) tag antenna array at Rock Island, which has improved detection accuracy
- Both Rocky Reach and Rock Island licenses include articles for resident fish stocking to enhance recreational fishing opportunities; locations are determined by Washington Department of Fish and Wildlife
  - In 2019 Chelan PUD stocked nearly 215,000 resident fish in Chelan and Douglas county lakes
- Reviewed Habitat Conservation Plans (HCP) Tributary Committees and Planned Species funds and funded projects

### **Consent Agenda**

(see Chelan PUD website for resolutions)

President Arseneault presented the consent agenda, which included the following items:

- Minutes of the November 26, 2019 Tri-Commission Meeting and the December 2, 2019 Regular Meeting
- Vouchers: Accounts Payable Summary Report dated December 11, 2019:
  - Vouchers totaling \$21,114,765.58;
  - Approval of Customer Deposit Returns and Conservation Incentive payments for the period November 27, 2019 through December 10, 2019 in the amount of \$10,237.17;
  - Approval of the net Payroll, Warrant Nos. 236796 through 236816 and Advice Nos. 684807 through 685572 for the pay period ending 11/24/2019 in the amount of \$2,114,372.32;

- Approval of Warrant Nos. 26258 through 26267 totaling \$11,976.88 for claim payments from the workers' compensation self-insurance fund for the period ending December 9, 2019.
- Resolution 12. A RESOLUTION AUTHORIZING AMENDMENT NO. 8 TO SERVICES AGREEMENT (SA NO. 13-058) WITH THYSSENKRUPP ELEVATOR CORPORATION TO PROVIDE MAINTENANCE OF THE DISTRICT'S ELEVATOR EQUIPMENT
- Resolution 13. A RESOLUTION AUTHORIZING AMENDMENT NO. 12 TO SERVICES AGREEMENT (SA-TA NO. 15-133) WITH ASPECT CONSULTING LLC TO PROVIDE TECHNICAL ASSISTANCE REGARDING THE DISTRICT'S WATER RIGHTS AND WATER RESOURCES PROGRAM
- Resolution 14. A RESOLUTION AMENDING SECTIONS OF THE ELECTRIC LINE EXTENSION POLICY PORTION OF THE DISTRICT'S UTILITY SERVICE POLICIES AND SECTIONS OF THE DISTRICT'S UTILITY SERVICE REGULATIONS

**MOTION**

Moved by: Commissioner Smith

Seconded by: Commissioner McKenna

To accept the consent agenda as revised

Approved: Unanimously

**Manager Items**

- John Stoll, Managing Director of Customer Utilities, updated Commissioner on Christmas Eve lobby hours
  - The lobby will close at 1:00pm on Tuesday, December 24; service issues can be reported at any time
- Mike Coleman, Managing Director of Fiber and Telecom, gave an update on fiber premises passed
  - 2019 goal was 1,033 and we will miss that by nearly 500; will be able to catch up on some in January
  - Challenges continue to be changes to the National Electric Safety Code and make ready work

**Follow Up on Delegation of Action Items from the 12/2/19 Board Meeting**

- John Stoll will report on capabilities of AMI meters
  - What functions can be managed remotely and those that will need hands-on contact – reported during today's AMI Update
- Steve Wright will follow up with Commissioner Bolz on the AMI Opt Out policy to gather feedback – completed on 12/12/19
- Rebekah Garfein will add 2020 WPUA events to Commissioner calendars – completed 12/2/19

**Delegation of Action Items from Previous Meeting**

- Justin Erickson will update the Board on the antenna array project for tracking fish – reported today by Fish & Wildlife staff

**Commission Items**

- Election of Officers

**MOTION**

Moved by: Commissioner Smith

Seconded by: Commissioner McKenna

To elect the following slate of officers: Garry Arseneault, President; Steve McKenna, Vice-President; Ann Congdon - Secretary

Approved: Unanimously

- Commissioner Smith recently attended the ReWire conference and found it very informative

**Recessed at 11:51am and Reconvened at 12:52pm**

**Resolution 11**

(see Chelan PUD website for resolution and presentation)

- Heather Irelan, Lead Treasury Analyst, reviewed Resolution 11
- Preserves flexibility to issue tax-exempt bond, but authorizes spending now on tax-exempt eligible projects
- Resolution 11. A RESOLUTION DECLARING OFFICIAL INTENT UNDER U.S. TREASURY REGULATIONS OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON TO PAY OR REIMBURSE CERTAIN EXPENDITURES FROM PROCEEDS OF INDEBTEDNESS; AND PROVIDING FOR CERTAIN OTHER MATTERS RELATED THERETO

**MOTION**

Moved by: Commissioner Smith

Seconded by: Commissioner McKenna

To approve Resolution 11 as presented

Approved: Unanimously

**Delegation of Action Items**

- David Lodge will provide the height of the operations buildings at the Service Center
- Alene Underwood will provide additional information on why we stock resident fish in Jameson Lake

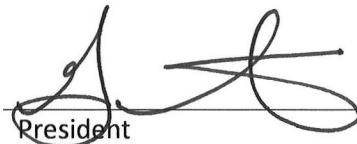
**Executive Session**

President Arseneault convened an executive session at approximately 1:12pm 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) for approximately 20 minutes.

**Regular Session Reconvened at 1:35pm**

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

There being no other business, the meeting adjourned at 1:35pm.




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President




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Vice President



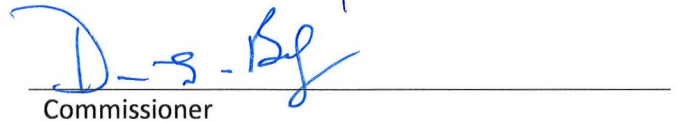

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Secretary




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Commissioner




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Commissioner