

**Minutes of the Regular Commission Meeting of
Public Utility District No. 1 of Chelan County, Washington
August 7, 2023**

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 August 7, 2023, at the hour of 10:00 am, pursuant to proper notice thereof.

Commissioners present: Randy Smith, President
Garry Arseneault
Kelly Allen
Carnan Bergren

Staff present: Kirk Hudson, General Manager
Erik Wahlquist, General Counsel
Rebekah Neumann, Clerk of the Board
Various staff

Guests present: Emily Thornton, Malachi Salcido, Daniel Conover, Wyatt Williams, Jeremy McCarver, Mike Conover

Call to Order

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

Pledge of Allegiance and Safety/HPI Minute

- Kristin Lodge, Visitor Services Manager, led the pledge and provided information on roundabout navigation

Agenda

- Resolution 13 was moved to the consent agenda; the agenda was approved as revised

Cycle of Personal Ownership Recognition

- Kirk Hudson, General Manager, recognized June Winners, Casey Hall, Project Manager Principal, and John Laycock, Construction Manager III

30 Under 35 Winner Recognition

- Kirk Hudson, General Manager, recognized 30 Under 35 recipient Annika Kallstrom, Power Business Technical Analyst II

Quarterly District Performance Plan Update

- Senior Management Team reviewed Q1 metrics completed or delayed
- 73% of metrics are completed or on track

Energy Efficiency Incentives Update

- Andrew Grassell, Energy Development / Conservation Manager, provided an update on the Energy Efficiency Incentives program and requested budgetary adjustment to fund incentives

- Reviewed the benefits of the program, how incentives are set, drivers of the budget request, and budget revision needed

MOTION

Moved by: Commissioner Allen

Seconded by: Commissioner Bergren

To increase the 2023 total budget for regulatory asset project 00109080, Residential Energy Programs, in the amount of \$1,000,000 for a revised total 2023 regulatory asset budget amount of \$2,250,000; and to increase the 2023 total budget for regulatory asset project 00109085, Commercial Energy Programs, in the amount of \$2,000,000 for a revised total 2023 regulatory asset budget amount of \$4,000,000; and to increase the total 2023 Distribution system regulatory asset budget by \$3,000,000 for a revised total amount of \$7,670,000.

Approved: Unanimously

Local Utility District in Lieu of Connection Charge

- Ron Slabaugh, Water/Wastewater Manager, reviewed Local Utility Districts (LUDs) and connection charges in lieu of assessments
- Discussed challenges and recommended policy changes for all LUDs
- Commissioners provided feedback on the proposed changes

Manager Item

- Kyle Endelman, Parks Superintendent, provided information on the 2023 whitewater boating event in the Chelan River on September 16-17, 2023

Recess @ 12:03pm, Reconvene @ 1:01pm

Public Hearing – Rate 36

- Hearing started @ 1:01pm
- Lindsey Mohns, Customer Utilities Business Manager, reviewed Rate 36 information including outreach plan, rate review process, current rate applicability and proposed changes, Rate 35 and 36 cost recovery, and recommended risk mitigations
- Discussed how policy would be applied in various scenarios
- Customer feedback
 - Daniel Conover asked about market rate pricing and noted his hope that the rate not prevent further investment in the community
 - Malachi Salcido thanked Commissioners for their continued work to examine this rate
- Commissioners thanked the team that worked on the rate review and proposal
- Hearing ended @ 1:40pm

Consent Agenda

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

- Minutes of the July 24, 2023 Regular Meeting
- Vouchers: Accounts Payable Summary Report dated August 01, 2023:
 - Vouchers totaling \$18,834,427.54;
 - Approval of Customer Deposit Returns and Conservation Incentive payments for the period July 18, 2023 through July 31, 2023 in the amount of \$99,578.54.
 - Approval of the net Payroll, Warrant Nos. 238220 through 238230 and Advice Nos. 759944 through 760786 for the pay period ending July 16, 2023 in the amount of \$2,604,313.69.
 - Approval of Warrant Nos. 29862 through 29914 totaling \$31,422.26 for claim payments from the workers' compensation self-insurance fund for the period ending July 31, 2023.

- Resolution 13. A RESOLUTION APPROVING BID ADVERTISEMENT, AWARD AND CONTRACT SIGNATURE FOR UNLEADED AND DIESEL FUEL SUPPLY (BID NO. 23-12796)

MOTION

Moved by: Commissioner Bergren

Seconded by: Commissioner Allen

To approve the consent agenda as revised to include Resolution 13

Approved: Unanimously

Resolution 12

- Chad Rissman, Director Distribution Asset Management, presented Resolution 12
- Resolution 12. A RESOLUTION DECLARING TPC WIRE & CABLE CORP. OF MACEDONIA, OHIO AS THE SOLE SOURCE SUPPLIER OF SUPER-TREX TYPE SH MEDIUM VOLTAGE POWER CABLE FOR MOBILE SUBSTATION (CONTRACT NO. 23-12951)

Resolution 14

- David Lodge, Project Management Manager, presented Resolution 14
- Resolution 14. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NO. 31 AND FURTHER APPROVING FIELD WORK ORDER/CHANGE ORDER NO. 32 FOR THE SERVICE CENTER PROJECT WITH ABSHER CONSTRUCTION COMPANY OF PUYALLUP, WA FOR CONSTRUCTION OF THE SERVICE CENTER PROJECT PURSUANT TO GENERAL CONTRACTOR/CONSTRUCTION MANAGER (GC/CM) CONTRACT NO. 18-91

MOTION

Moved by: Commissioner Allen

Seconded by: Commissioner Arseneault

To approve Resolutions 12 and 14 as presented

Approved: Unanimously

Commission Travel

- Rebekah Neumann, Executive Team and Board Administrator, reviewed upcoming Commissioner Travel

Commissioner Items

- Board Workshop

MOTION

Moved by: Commissioner Allen

Seconded by: Commissioner Bergren

To set a special meeting on Wednesday, October 4, 2023 @ 9:00am at Confluence Technology Center, 285 Technology Center Way, Wenatchee, for the purpose of holding a Board workshop

Approved: Unanimously

Follow up on Delegation of Action Items from 7/24/23 Board meeting

- Erik Wahlquist will provide the current Rate 36 demand exceedance charge – sent via email 7/24/23

Delegation of Action Items

- None

Executive Session

President Smith convened an executive session at approximately 2:15pm 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 review the performance of a public employee, as authorized by RCW 42.30.110(1)(g), and to consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause the likelihood of decreased price, as authorized by RCW 42.30.110(1)(c) for approximately 2 hours.

Executive session extended at 4:15pm for 30 minutes

Regular Session Reconvened at 4:50pm

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

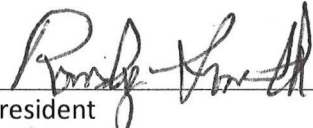
There being no other business, the meeting adjourned at 4:50pm.




Vice President




Commissioner



President



Secretary



Commissioner