

**PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY
327 N WENATCHEE AVENUE
WENATCHEE WA 98801**

REGULAR COMMISSION MEETING

MAY 17, 2021

Public participation will be by phone only

Dial: 253-999-5697

Meeting ID: 429-422-934#

****Please remember to mute your phone to reduce background noise****

Please contact PUD staff at 509-661-4212 to let us know if you intend to participate by phone

STUDY SESSION

10:00 AM

1. Pledge of Allegiance and Safety/HPI Minute – Rob Witham
2. Approval of the Agenda
Any item on the Consent Agenda shall be subject to transfer to the Regular Agenda upon request of any Commission member
3. CPO Winner Recognition
4. Quarterly Energy Resources Update
5. Interconnection Agreement Template
6. Legislative Update

BUSINESS SESSION

1:00 PM

Consent Agenda

7. Minutes of the April 29, 2021 Special Meeting, May 13, 2021 Special Meeting, and May 3, 2021 Regular Meeting
8. Vouchers: Accounts Payable Summary Report dated May 12, 2021:
 - a. Vouchers totaling \$18,242,899.38;

- b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period April 28, 2021 through May 11, 2021 in the amount of \$62,688.94.
 - c. Approval of the net Payroll, Warrant Nos. 237468 through 237480 and Advice Nos. 713451 through 714250 for the pay period ending April 25, 2021 in the amount of \$2,211,697.19.
 - d. Approval of Warrant Nos. 27494 through 27532 totaling \$3,659.78 for claim payments from the workers' compensation self-insurance fund for the period ending May 10, 2021.
 - e. Approval of Parks Reservation System customer refunds for the period April 26, 2021 through May 6, 2021 in the amount of \$1,172.27.
9. A RESOLUTION AUTHORIZING FINAL ACCEPTANCE OF PERFORMANCE UNDER BID NO. 20-33 WITH TRANSCO INDUSTRIES, INC. OF PORTLAND, OR AND AUTHORIZING PAYMENT OF RETAINAGE

Regular Agenda

10. A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO AN INTERLOCAL AGREEMENT (NO. 21-11539) WITH CONFEDERATED TRIBES OF THE COLVILLE RESERVATION FOR WHITE STURGEON LARVAE COLLECTION AND TESTING
11. A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO AN INTERLOCAL COOPERATIVE AGREEMENT (NO. 21-11540) WITH DOUGLAS COUNTY PUBLIC UTILITY DISTRICT NO. 1 TO REAR WHITE STURGEON AT WELLS FISH HATCHERY
12. A RESOLUTION AMENDING THE CRITERIA USED FOR QUALIFYING "LOW-INCOME" PERSONS AND PROCEDURAL REQUIREMENTS FOR WAIVER OF ELECTRIC SERVICE CONNECTION FEES AS DEFINED IN RESOLUTIONS 95-10274 AND 99-11190
13. Capital Budget Revision
- a. Proposed Motion: To establish a \$1.2 million Fiber system project budget for PPB Fiber expansion in the Dry Lake area of Manson (FDT-178) via transfer from previously established general PPB Fiber Expansion budget (NWPB0001); and to increase the 2021 project budget for Distribution system fiber build-out make ready work (DSXX0024) by \$900,000 for a revised total 2021 project budget of \$1.65 million and to decrease other Distribution project budgets for 2021 by the same amount enabling a shift in spending between capital projects with no change to the overall 2021 Distribution capitalp budget.

14. Manager Items

15. Commission Items

a. Tri-Commission Meeting

Proposed motion: Move to set a special meeting on Tuesday, June 29, 2021 @ 1:00pm to be held virtually for the purpose of holding a Tri-Commission meeting. Virtual meeting information will be posted on the PUD website.

16. Follow-up on Delegation of Action Items from Previous Board Meeting

17. Delegation of Action Items

18. Additional Public Comment

Members of the public are encouraged to ask specific questions after each item presented. This agenda item is for additional comments/questions related to matters not on the agenda.

19. Matters of general business as may necessarily come before the Commission

20. Executive Session: 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) and to evaluate the qualifications of an applicant for public employment or to review the performance of a public employee, as authorized by RCW 42.30.110(1)(g)

This agenda and resolutions (if any) may be revised by the Commission as appropriate.

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING FINAL
ACCEPTANCE OF PERFORMANCE UNDER BID
NO. 20-33 WITH TRANSCO INDUSTRIES, INC. OF
PORTLAND, OR AND AUTHORIZING PAYMENT
OF RETAINAGE

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District Commission by Resolution No. 17-14215 delegated authority to the General Manager to advertise, award and execute contracts when the total contract price is \$3,000,000 or less.

On December 9, 2020, the District entered into a contract (Bid No. 20-33) with Transco Industries, Inc. (Contractor) of Portland, OR for Rocky Reach Juvenile Fish Bypass Surface Collector Screens, in the amount of \$186,186. This contract was advertised for public bid and was awarded as required by RCW 54.04.070 and .080.

District staff has determined that the work required under the contract has been performed in accordance with the terms of the contract and recommends that the District accept the work.

District staff has determined that the completion of all contract work occurred on April 23, 2021. In accordance with the terms of the contract, retainage in an amount not exceeding 5% of the contract price has been withheld from the Contractor.

The General Manager of the District concurs with staff's recommendations that the District accept the work performed by the Contractor and recommends the District authorize the payment of retainage due the Contractor, subject to the requirements of the contract and state law.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY
DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. All the contract work required under Bid No. 20-33 was completed on April 23, 2021, and the same is hereby accepted, subject to Section 2 hereof. Payment of retainage to the Contractor in the amount determined by the District's auditor to be due is authorized to be paid to the Contractor subject to Section 2 and Section 3 hereof, and subject to the provisions and limitations of Chapter 39.12 RCW (Prevailing Wages on Public Works) and 60.28 (Liens for Labor, Materials and Taxes on Public Works).

Section 2. This resolution shall not constitute an acceptance by the District of any work performed or goods supplied pursuant to the aforementioned contract, which are not in strict compliance with the contract terms and conditions.

Section 3. After the expiration of the forty-five (45) day period for giving the District notice of lien and after receipt of the Department of Revenue's certification of the Contractor's payment of taxes, the Employment Security Department's Certificate of Payment of Contributions, Penalties and Interest on Public Works Contracts, and the Department of Labor & Industries' Certificate of Release of the State's Lien on Public Works Contracts and the District being satisfied that taxes certified as due or to become due are discharged and the filed claims of materialmen and laborers, if any, together with a sum sufficient to pay costs of foreclosing the liens and attorney's fees, have been paid, the District's General Manager is authorized and directed to withhold from the remaining retained amounts for claims the District may have against the Contractor, and the balance shall be paid to the Contractor. In the event said taxes, claims, expenses and fees have not been paid, the General Manager is authorized and directed to withhold an amount equal to unpaid taxes and unpaid claims, together with a sum sufficient to defray the costs and attorney fees incurred in foreclosing the lien of such claims, and the balance shall be paid to the Contractor.

DATED this 17th day of May, 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE GENERAL
MANAGER TO ENTER INTO AN INTERLOCAL
AGREEMENT (NO. 21-11539) WITH
CONFEDERATED TRIBES OF THE COLVILLE
RESERVATION FOR WHITE STURGEON LARVAE
COLLECTION AND TESTING

FACTUAL BACKGROUND AND REASONS FOR ACTION

Resolution No. 17-14215 requires that the Commission, by resolution, authorize Interlocal Agreements that exceed \$200,000.

Public Utility District No. 1 of Chelan County, Washington (“District”) operates the Rocky Reach Hydroelectric Project under the Terms and Conditions of the Federal Energy Regulatory Commission (FERC) License No. 2145 issued on February 9, 2009. The Rocky Reach FERC License contains an Article and incorporates a Settlement Agreement that specifically obligates the District to implement a White Sturgeon Management Plan (WSMP). Obligations set forth in the WSMP are overseen by the Rocky Reach Fish Forum (RRFF).

In 2020 the RRFF agreed to transition broodstock collection methods to wild-caught larval fish beginning in 2021. The Confederated Tribes of the Colville Reservation (Colville Tribes) have developed a successful larvae collection program on Lake Roosevelt which will be used to obtain White Sturgeon larvae for the District. The Colville Tribes may also provide pre-release larval testing as is required by the RRFF and as directed by the District.

District staff has determined that the Colville Tribes is the best qualified entity to provide the required services and that the prices proposed for the services is a fair and reasonable price. The total costs for the services to be provided by the Colville Tribes shall not exceed \$492,500 through December 31, 2025.

It is the District staff’s recommendation that it is in the best interest of the District to enter into Interlocal Agreement No. 21-11539 with the Colville Tribes for the collection and testing of White Sturgeon larvae.

The General Manager of the District has reviewed staff’s recommendation and concurs in the same.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, as follows:

Section 1. The General Manager of the District or his designee is hereby authorized to enter into and execute on behalf of the District an Interlocal Cooperative Agreement with the Colville Tribes for the Larval Sturgeon Funding Agreement in an amount not to exceed \$492,500 through December 31, 2025, without prior Commission approval. A copy of the Agreement is on file in the offices of the District.

DATED this 17th day of May 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO AN INTERLOCAL COOPERATIVE AGREEMENT (NO. 21-11540) WITH DOUGLAS COUNTY PUBLIC UTILITY DISTRICT NO. 1 TO REAR WHITE STURGEON AT WELLS FISH HATCHERY

FACTUAL BACKGROUND AND REASONS FOR ACTION

Resolution No. 17-14215 requires that the Commission, by resolution, authorize Interlocal Agreements that exceed \$200,000.

Public Utility District No. 1 of Chelan County, Washington (“District”) operates the Rocky Reach Hydroelectric Project under the Terms and Conditions of the Federal Energy Regulatory Commission (FERC) License No. 2145 issued on February 9, 2009. The Rocky Reach FERC License contains an Article and incorporates a Settlement Agreement that specifically obligates the District to implement a White Sturgeon Management Plan (WSMP). Obligations set forth in the WSMP are overseen by the Rocky Reach Fish Forum (RRFF).

Public Utility District No. 1 of Douglas County, Washington (“Douglas”) owns and operates the Wells Hatchery in Douglas County, Washington and has excess White Sturgeon rearing capacity at that hatchery and is willing to use some of its excess rearing capacity to rear White Sturgeon for the District.

District staff recommend that an Interlocal Cooperative Agreement (“Agreement”) with Douglas be approved to meet the District’s White Sturgeon obligations. District staff has determined that the prices proposed for the services is a fair and reasonable price. The District will pay an annual fixed price of \$119,547, adjusted annually for inflation, to provide all necessary labor, infrastructure, and material costs to rear White Sturgeon for release into the Rocky Reach Reservoir.

The Agreement shall be effective until December 31, 2026 subject to termination language within the Agreement.

The General Manager of the District has reviewed staff’s recommendation and concurs in the same.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, as follows:

Section 1. The General Manager of the District or his designee is hereby authorized to enter into and execute on behalf of the District an Interlocal Cooperative Agreement with Public Utility District No. 1 of Douglas County to rear White Sturgeon at Wells Hatchery. The total costs for the Agreement shall not exceed \$119,547 in 2021 without prior Commission approval. Future expenditures in years 2022 through 2025 shall not exceed a yearly cost of \$119,547 adjusted using the Consumer Price Index for yearly inflation without prior Commission approval. A copy of the Agreement is on file in the offices of the District.

DATED this 17 day of May 2021.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AMENDING THE CRITERIA USED
FOR QUALIFYING “LOW-INCOME” PERSONS AND
PROCEDURAL REQUIREMENTS FOR WAIVER OF
ELECTRIC SERVICE CONNECTION FEES AS
DEFINED IN RESOLUTIONS 95-10274 AND 99-11190

FACTUAL BACKGROUND AND REASONS FOR ACTION

Resolution 95-10274 authorized waiver of electric service connection fees for low-income persons purchasing homes from non-profit 501(c)(3) organizations as provided by RCW 54.24.080. As legislature did not define “low-income” for purposes of RCW 54.24.080, the District established eligibility requirements to include income not to exceed the amount as specified by the Housing and Urban Development (HUD), electric services up to 200 Amps, single-family residence, and required enrollment in the Equal Pay Program. Resolution 99-11190 later amended the income eligibility threshold to 150% of the Federal Poverty Level (FPL).

In February 2021, members of local housing organizations provided a presentation to the Board of Commissioners summarizing future projects and efforts to establish low to moderate income housing. Staff was directed to review existing policy and identified options to adjust the prescribed income threshold and areas for improving program administration. Considering the public input and feedback from the Board, staff recommends amending the income threshold to better align with the definition of low-income pursuant to the Clean Energy Transformation Act (CETA) RCW 19.405.020(25) which is currently defined as household income not to exceed 80% Area Median Income (AMI) or 200% FPL. In addition, Staff recommends eliminating requirements regarding equal pay and deposit waivers to eliminate further tracking needs and resolve the challenge of lack of data required to administer. The General Manager concurs with staff recommendation.

Policy requirements will be included in the District’s Electric Line Extension Policy (Section 6) as provided below.

Electric Line Extension Policy

Service connection fees may be waived for single family residences, 200A or less, sold to low-income homebuyers by 501(c)(3) organizations with income eligibility not to exceed 80% of AMI. Eligible Service Connection Fees are as specified in the District’s Fees and Charges schedule. Other costs including line extension costs and/or applicable Fees and Charges, and all other Utility Service Regulations continue to apply.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO.1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. The District is hereby authorized to waive electric service connection fees for properties purchased by low-income homebuyers from organizations exempt from tax under section 501 (c) (3) of the federal internal revenue code as allowed by RCW 54.24.080.

Section 2. All District waiver of electric service connection fees shall be uniformly applied to all qualified properties and made in accordance with the requirements established herein.

Section 3. Staff will make necessary adjustments to existing Utility Service Policies to accommodate the policy language as described.

Section 4. This resolution rescinds and supersedes prior resolutions and Commission actions that are inconsistent with this resolution. This resolution shall not render invalid any previous action by this Commission regarding rates, service regulations, policies, fees, charges, agreements or any other matter except as specifically identified in and inconsistent with this resolution.

Dated this 17th day of May 2021.

ATTEST:

President

Vice President

Secretary

Commissioner

Commissioner