

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

REGULAR COMMISSION MEETING

JULY 9, 2018

AGENDA

STUDY SESSION

10:00 A.M.

1. Pledge of Allegiance and Safety Minute – Jeff Osborn
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. Entiat Marina
4. Quarterly Electrical Load Growth Update
5. Two Dam Independence Project Update
6. Cryptocurrency Rate Class

BUSINESS SESSION

1:00 P.M.

Consent Agenda

7. Minutes of the June 25, 2018 Regular Meeting and June 26, 2018 Special Meeting
8. Vouchers: Accounts Payable Summary Report dated July 3, 2018:
 - a. Vouchers totaling \$12,160,012.52;
 - b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period June 20, 2018 through July 2, 2018 in the amount of \$12,947.42;
 - c. Approval of the net Payrolls, Warrant Nos. 236038 through 236059 and Advice Nos. 655708 through 656547 for the pay period ending 06/24/2018 in the amount of \$2,136,801.37; and

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- d. Approval of Warrant Nos. 24572 through 24607 totaling \$31,110.87 for claim payments from the workers' compensation self-insurance fund for the period ending July 2, 2018.

Regular Agenda

9. A RESOLUTION AUTHORIZING EXECUTION OF THE HYDROPOWER RESEARCH INSTITUTE MEMBERSHIP BRIDGING AGREEMENT AND DELEGATING THE AUTHORITY TO THE GENERAL MANAGER TO APPOINT THE DISTRICT'S REPRESENTATIVE(S) ON THE INSTITUTE'S BOARD OF DIRECTORS

10. Manager Items

11. Commission Items

- a. Proposed Motion: Move to set a special meeting on July 30, 2018 at 5:30 pm at Visconti's, 1737 N Wenatchee Ave, Wenatchee for the purpose of holding a Mid-C Commissioners and General Managers Meeting

12. Commission Travel

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

14. Delegation of Action Items

15. Additional Public Comment*

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

17. 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), to consider the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price, as authorized by RCW 42.30.110(1)(b), 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).

* 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.

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING EXECUTION OF THE HYDROPOWER RESEARCH INSTITUTE MEMBERSHIP BRIDGING AGREEMENT AND DELEGATING THE AUTHORITY TO THE GENERAL MANAGER TO APPOINT THE DISTRICT'S REPRESENTATIVE(S) ON THE INSTITUTE'S BOARD OF DIRECTORS

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District and others wish to establish a member managed Washington nonprofit corporation, the Hydropower Research Institute (the "Institute") to have the following purpose:

1. To develop, manage, protect and license aggregated sets of operational data from hydroelectric generation units and plants owned by members and other contributors of the Institute so as to:
 - Enhance awareness and analysis of operation, condition and maintenance of hydroelectric generating facilities
 - Improve predictive capabilities for management of hydroelectric generating facilities
 - Help reduce forced outages, reduce costs and increase revenues
2. To develop, manage, license and protect associated technology and intellectual property.
3. To engage in any other lawful activity approved by the Institute's Board of Directors.

The District has reviewed the document entitled Hydropower Research Institute Membership Bridging Agreement ("Bridging Agreement") and the Articles of Incorporation.

It is in the best interest of the District and its customer-owners for the District to become a founding member of the Institute on the terms and conditions set forth in the Bridging Agreement and Articles of Incorporation. The Commission, at its March 19, 2018 Board meeting, supported reallocating \$200,000 from sensor technology development efforts, and from its April 16, 2018 Board meeting, allocating an additional \$300,000 from unallocated 2018 Public Power Benefit funds (for a total of \$500,000) for the purposes of facilitating the formation of the Institute. The Bridging Agreement will allow the District to take the next step in setting up the Institute such as appointing the Director(s) who can facilitate necessary foundational arrangements such as adopting the Bylaws, hiring a Certified Public Accountant and setting up a bank account for the Institute while the Membership Agreement is being drafted.

ACTION

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

Section 1. The General Manager of the District is hereby authorized to execute on behalf of the District the Bridging Agreement in substantially the form on file at the District.

Section 2. The General Manager is hereby authorized to appoint and/or replace the District’s representative Director(s) on the Institute’s Board of Directors pursuant to the Institute’s governing documents.

Section 3. The District’s representative Director(s) will have the authority to implement the formation of the nonprofit corporation contemplated by the Bridging Agreement and Articles of Incorporation.

DATED this 9th day of July 2018.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal