

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

August 21, 2017

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 August 21, 2017, at the hour of 9:00 a.m., pursuant to proper notice thereof.

Commissioners present were Randy Smith, Garry Arseneault, Dennis Bolz, Ann Congdon and Steve McKenna. In attendance were General Manager Steve Wright, General Counsel Erik Wahlquist and Acting Clerk of the Board Teresa Boushay.

Various Staff were also in attendance.

Others in attendance: Martin Davy

Maura Gillin, Senior Management Analyst for Hydro Engineering, led the Pledge of Allegiance and provided a safety minute.

President Randy Smith presented the Agenda for approval. Resolutions 9, 11 & 14 were moved to the consent agenda. The agenda was approved as revised.

President Smith convened an executive session at approximately 9:09 a.m. to review the performance of a public employee, as authorized by RCW 42.30.110(1)(g), until approximately noon.

Reconvening the meeting into regular session at approximately 12:08 p.m., President Smith stated no actions and no votes were taken.

The meeting recessed at 12:09 p.m., and reconvened at 1:00 p.m.

CIS update – (See www.chelanpud.org for the presentation). John Stoll, Customer Utilities Managing Director and Sam Dilly, District Project Manager, gave an update on improving the aging customer information system (CIS) to offer “dashboard-type” account management features customers want, provide capacity for increased District technology and create efficiencies for staff. The District’s current customer information system is 14 years old and doesn’t provide the capabilities for increased utility technologies. Stoll said the team devoted extra time to analyze the wide range of systems offered by vendors to make sure the new system will work with the District’s existing financial and internal control systems as well as planned technology enhancements. Final review of vendor proposals and finalizing contract terms is next with a request for board approval by the end of the year. Installation is planned to start in early 2018.

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Strategic Plan Educational Initiatives – (See www.chelanpud.org for the presentation). Lorna Klemanski, Human Resources, Labor and Safety Managing Director, recapped progress on Public Power Benefit education and job readiness initiatives, including creating a position and hiring an employee dedicated half-time to utility-focused education and mentoring and creating partnerships and programs to enhance skills for local applicants. HR, Communications and Rocky Reach Visitor Center have worked together on numerous community programs since the program's launch last year: from Pizza, Pop and Power Tools to River Ramble to Fiestas Decembrina.

President Smith presented the revised consent agenda, which consisted of the minutes of August 7, 2017 regular meeting.

The Auditor's memorandum dated August 16, 2017 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:

Accounts Payable Summary Report dated August 16, 2017:

1. Vouchers totaling \$11,343,126.17;
2. Approval of Customer Deposit Returns and Conservation Incentive payments for the period August 2, 2017 through August 15, 2017 in the amount of \$26,995.83.
3. Approval of the net Payrolls, Warrant Nos. 235448 through 235477 and Advice Nos. 638270 through 639039 for the pay period ending 8/06/2017 in the amount of \$1,828,168.97; and
4. Approval of Warrant Nos. 23651 through 23700 totaling \$17,175.50 for claim payments from the workers' compensation self-insurance fund for the period ending August 14, 2017.

RESOLUTION 17-14165 AUTHORIZING THE GENERAL MANAGER OF THE DISTRICT TO EXECUTE A TASK AUTHORIZATION SERVICES AGREEMENT (SA-TA NO. 16-148) WITH VOITH HYDRO, INC. OF YORK, PA FOR PROFESSIONAL ENGINEERING SERVICES RELATED TO ROCKY REACH UNITS C1 THROUGH C7 HOLISTIC ENGINEERING STUDY

RESOLUTION 17-14167 AMENDING THE WATER RATE SCHEDULES ESTABLISHING A BASIC MONTHLY CHARGE FOR 12" FIRE SPRINKLER SERVICES

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RESOLUTION 17-14170 AUTHORIZING AMENDMENT NO. 1 TO SERVICES AGREEMENT (SA NO. 16-133) WITH HEIGHTS CONSULTING LLC TO PROVIDE CIS, MDMS, AND AMI CONSULTING SERVICES

A motion was made by Commissioner Bolz, seconded by Commissioner McKenna and passed adopting the Consent Agenda, consisting of the minutes of the August 7, 2017 regular meeting, the above listed vouchers and Resolution Nos., 17-14167, and which are on file in the offices of the District.

Commissioners considered the following resolutions:

RESOLUTION 17-14168 AUTHORIZING THE GENERAL MANAGER TO ENTER INTO AN AGREEMENT TO PURCHASE A 1.03 ACRE PARCEL OF LAND IN CHELAN COUNTY AND TO ENTER INTO AN AGREEMENT TO RESERVE 5 MVA OF DISTRIBUTION SUBSTATION CAPACITY IN EXCHANGE FOR THE PURCHASED LAND

A motion was made by Commissioner Bolz, seconded by Commissioner Arseneault to adopt Resolution 17-14168 as a standalone item, due to it being a matter of Real Estate Purchase. It is on file in the office of the District.

RESOLUTION 17-14164 RATIFYING FIELD WORK ORDER NOS. 1 THROUGH 7, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 15-55 WITH K&N ELECTRIC MOTORS, INC. OF SPOKANE VALLEY, WASHINGTON AND AUTHORIZING PAYMENT OF RETAINAGE

RESOLUTION 17-14166 AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A TASK AUTHORIZATION SERVICES AGREEMENT (SA NO. 17-126) WITH GENESIS TECHNOLOGY SOLUTIONS, INC. OF RIDGEFIELD, CONNECTICUT FOR GENERATION ASSET MANAGEMENT CONSULTING SERVICES

RESOLUTION 17-14169 APPROVING A NEW INTERLOCAL COOPERATIVE PURCHASING AGREEMENT (SA NO. 17-133) BETWEEN THE DISTRICT AND ENERGY NORTHWEST FOR THE PURCHASE OF MATERIALS, EQUIPMENT AND SUPPLIES

RESOLUTION 17-14171 RATIFYING FIELD WORK ORDER NO. 1, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 17-66 WITH K & N ELECTRIC MOTORS, INC. OF SPOKANE VALLEY, WA AND AUTHORIZING PAYMENT OF RETAINAGE

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A motion was made by Commissioner Congdon, seconded by Commissioner Bolz and passed to adopt Resolution Nos. 17-14164, 17-14166, 17-14169, and 17-14171 which are on file in the office of the District.

Communications Director Suzanne Hartmann provided information on AMI discussion at City of Chelan's Council meeting on Aug 8.

Commissioner Congdon read a letter from constituent in Chelan commending the District on their community outreach and trustworthiness.

President Smith attended Sen. Cantwell's town hall meeting held Aug 12 at Wenatchee High School. She has been an asset for public power and hydro initiatives.

General Manager Steve Wright followed-up on Delegation of Action Items from Previous Board Meetings: Provide History of rate increases compared against inflation, now completed; and Research Commissioner Doug England's comment about 5g for Commissioner McKenna, in progress.

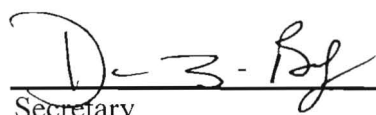
A motion was made by Commissioner McKenna, seconded by Commissioner Bolz to set a special Board workshop meeting to be held on September 19, 2017 from 9:00 to 4:00 at the Confluence Technology Center (CTC).

There being no other business, the meeting adjourned at 2:25 p.m.




President

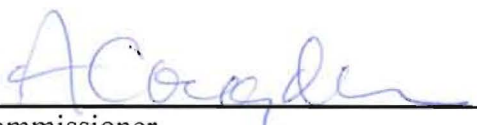
Vice President



Secretary



Commissioner



Commissioner