

Minutes of the Regular Commission Meeting of Public Utility District No. 1 of Chelan County, Washington January 19, 2021

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 January 19, 2021, at the hour of 10:00 am, pursuant to proper notice thereof.

Commissioners present: Randy Smith, President (by phone)
Garry Arseneault (by phone)
Dennis Bolz (by phone)
Steve McKenna (by phone)

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

Guest present: Skip Moore, Chelan County Auditor

Call to Order

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

Pledge of Allegiance and Safety/HPI Minute

- Dave Parkhill, Senior Safety and Health Coordinator, led the pledge and provided information on protecting yourself from the cold

Swearing in of re-elected Commissioners

- Skip Moore, Chelan County Auditor, performed the swearing in of Garry Arseneault and Steve McKenna who were re-elected to the Board of Commissioners in the November 2020 General Election

Agenda

- The agenda was approved as presented

Cycle of Personal Ownership (CPO) Winner Recognition

(see Chelan PUD website for presentation)

- Steve Wright, General Manager, recognized December CPO winners Chris Nystrom, Fishway Attendant Foreman, Jake Simmons, Fishway Attendant, Randy Syria, Fishway Attendant, and Natalie Baerlocher, Senior Hydro Data Analyst

Quarterly Board Balanced Scorecard Update

(see Chelan PUD website for presentation)

- Commissioners reviewed exceptions to the Board Balanced Scorecard report

Service Center Update

(see Chelan PUD website for presentation)

- Dan Frazier, Director of Shared Services, and David Lodge, Senior Project Manager, presented information on the Guaranteed Maximum Price amendment for the service center project
- Reviewed site work to date, building construction scope, schedule, development of the guaranteed maximum price, total contract estimate, local economic impacts, and project risks
- The use of the General Contractor Construction Manager (GCCM) process has been beneficial to the District, especially around mitigating risk impacts

2021 District Performance Plan Review

(see Chelan PUD website for presentation)

- Senior Management Team members reviewed the 2021 District performance plan metrics
- 2021 is the largest capital budget since Rocky Reach dam
- Metrics reflect the implementation of the strategic plan

Recess at 12:11pm, Reconvene at 1:00pm

Consent Agenda

(see Chelan PUD website for resolutions)

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

- Minutes of the January 4, 2021 Regular Meeting
- Vouchers: Accounts Payable Summary Report dated January 13, 2021:
 - Vouchers totaling \$10,926,144.20;
 - Approval of Customer Deposit Returns and Conservation Incentive payments for the period December 30, 2020 through January 12, 2021 in the amount of \$9,288.71;
 - Approval of the net Payroll, Warrant Nos. 237351 through 237365 and Advice Nos. 707324 through 708066 for the pay period ending 01/03/2021 in the amount of \$1,958,153.61;
 - Approval of Warrant Nos. 27190 through 27223 totaling \$3,806.69 for claim payments from the workers' compensation self-insurance fund for the period ending January 11, 2021;
 - Approval of debt service paid with reserve account interest earnings of \$638,460.20 for the period 01/01/2021 through 01/31/2021.

Moved by: Commissioner Arseneault

Seconded by: Commissioner Bolz

To approve the consent agenda as presented

Approved: Unanimously

Resolution 9

(see Chelan PUD website for resolution)

- Chad Rissman, Director of Distribution Asset Management, presented Resolution 9
- Mobile substations are particularly important to be able to provide service to customers when substation equipment is out of service
- Resolution 9. A RESOLUTION RATIFYING FIELD WORK ORDERS NOS. 1-6 AND AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 18-85 WITH DELTA STAR, INC. OF SAN CARLOS, CALIFORNIA

Moved by: Commissioner McKenna

Seconded by: Commissioner Bolz

To approve Resolution 9 as written

Approved: Unanimously

Manager Items

- Lorna Klemanski, Managing Director of Human Resources provided the following updates
 - Information on the Western Energy Institute Women in Energy Symposium and the Northwest Public Power Association Women in Public Power conference was shared with all employees as part of the annual email on individual development plans
 - Bargaining Unit Negotiation Update – we negotiated a one-year contract with IBEW
- Tracy Yount, Director of External Affairs, provided an update on the COVID vaccine
 - The Governor has introduced a revised phased approach for vaccine distribution along with separate phases for reopening communities
 - The Town Toyota Center was identified as one of four mass vaccination sites in Washington
 - The District is meeting with Confluence and Chelan County Health District to determine how we can support the community vaccination program
- John Stoll, Managing Director of Customer Utilities, updated Commissioners on:
 - Last Tuesday, there was a heavy, wet snow that caused 91 breaker trips over a 36-hour period
 - Generally, there are 4 breakers in a substation serving about 800 customers each
 - The issues were widespread across Chelan County
 - John shared a picture of a corner pole on Snuffy Smith Road in the Manson area that came down
 - Hats off to the crews; communications and outreach teams provided heavy support as well
 - The following night saw high winds; we were able to assist Avista in getting their system back online after the wind event
 - The price of bitcoin has taken a tremendous run up over the last 6-7 months, peaking at over \$40k
 - We have had a few inquiries; we have good policies in place to provide information to anyone seeking information on a cryptocurrency connection
- Steve Wright, General Manager, highlighted yesterday's diversity, equity, and inclusion training
 - Steve commended Lorna Klemanski, Managing Director of Human Resources, for how well it went
 - We believe it is important to be good at this to be a top utility
- Steve Wright also reported on the American Public Power Association (APPA) Carbon Task Force, which he is co-chairing with Kevin Gaden, President and CEO at Illinois Municipal Electric Agency
 - The task force will be active this year in developing a proposal to proceed
 - The task force wants to say yes to potential clean electricity legislation if it addresses affordability and reliability

Commission Items

- Helping Hands Contribution

Moved by: Commissioner Arseneault

Seconded by: Commissioner Bolz

To make a one-time contribution to the District's Helping Hands program in the amount of \$40,656 from the District's 2021 Public Power Benefit funds to assist with increased low-income customer owners need resulting from the impacts of COVID19 and to keep the Helping Hands program sustainable beyond COVID19. The amount of \$40,656 represents a District match to the voluntary contributions made by the District's customer owners from March 1, 2020, through December 31, 2020.

Approved: Unanimously

- A Pledge to Civility in Public Service
 - Commissioner Smith introduced the document - A Pledge to Civility in Public Service
 - Commissioners expressed broad support for signing on to the document and discussed how to involve other elected officials

Moved by: Commissioner McKenna

Seconded by: Commissioner Bolz

To adopt A Pledge to Civility in Public Service as our commitment to our constituents

Approved: Unanimously

Follow up on Delegation of Action Items from 1/4/20 Board meeting

- Erik Wahlquist will prepare a motion for Board consideration for a District contribution to the Helping Hands Fund from PPB dollars – completed today

Follow up on Delegation of Action Items from Previous Board meetings

- Steve Wright will provide available information on how much employment we are providing for contractors in the coming year – presented as part of today’s Service Center Update
- Erik Wahlquist and Steve Wright will provide an outline of knowledge/issues for which it would be helpful for new Commissioners to come up to speed – Erik has added the APPA Governance guide to the Commissioner information binder
- Justin Erickson will report back to Commissioners on a potential future swim location in Chelan – completed with resolution of Manson Parks agreement
- Lorna Klemanski will determine how we will get the word out about the 2021 Women In Public Power conference – reported today as a manager item
- Steve Wright will set a series of meetings with Commissioners Congdon and McKenna to review the Board/GM Protocol and determine any proposed clarifications – protocol circulated; no edits necessary

Delegation of Action Items

- Communications team will help facilitate the Civility in Public Service outreach plan and communication

Executive Session

President Smith convened an executive session at approximately 2:10pm 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 plan the strategy or position to be taken during the course of collective bargaining, as authorized by RCW 42.30.140(4)(b) for approximately 60 minutes.

Regular Session Reconvened at 2:53pm

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

There being no other business, the meeting adjourned at 2:53pm.

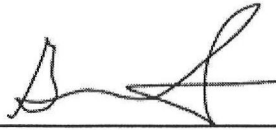
President

Vice President

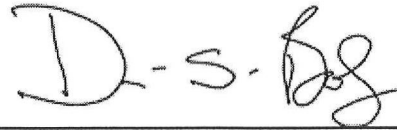
Secretary

Commissioner

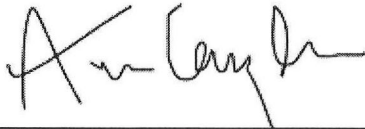
Commissioner



Garry Arseneault - Board Member
Approved on 2/9/2021 6:00PM PST



Dennis Bolz - Board Member
Approved on 2/23/2021 11:28AM PST



Ann Congdon - Board Member
Approved on 2/1/2021 6:54PM PST



Steve McKenna - Board Member
Approved on 2/9/2021 11:13AM PST