

# Minutes of the Regular Commission Meeting of Public Utility District No. 1 of Chelan County, Washington March 1, 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 March 1, 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)  
Ann Congdon (by phone)  
Steve McKenna (by phone)

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

## **Call to Order**

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

## **Pledge of Allegiance and Safety/HPI Minute**

- Patty Wachtel, Workers Compensation and Occupational Health Program Manager, led the pledge and provided information on the District's approach to keeping employees and customers safe during COVID

## **Agenda**

- Resolutions 11 and 12 were moved to the consent agenda; the agenda was approved as revised

## **Quarterly Fish and Wildlife Update**

(see Chelan PUD website for presentation)

- Alene Underwood, Fish and Wildlife Manager, Ian Adams, Hatchery Maintenance and Operations Coordinator, and Catherine Willard, Senior Fisheries Biologist, provided an update on activities
- Catherine reviewed the differences between hatchery and wild fish, tools implemented to improve the fitness of hatchery fish, and requirements to prevent hatchery fish from overwhelming wild fish
- Ian reported on success at the Dryden Acclimation Facility related to phosphorus levels including mitigation strategies; the District has met the phosphorus level requirements since 2016

## **Parks Update**

(see Chelan PUD website for presentation)

- Ryan Baker, Parks Manager, and Kyle Endelman, Parks Superintendent, gave an update on activities
- Reviewed parks opening status, major maintenance plan, and completed 2020 projects
- Upcoming projects for 2021 include tennis court repainting at Walla Walla and Daroga and erosion control at Kirby Billingsley

- Noted updated parks policies regarding drones, electric motorcycles, lost and found, metal detecting, time limit on play courts, and camping

Commissioner Smith left at this time

### **Low-Income Program Development Update**

(see Chelan PUD website for presentation)

- Andrew Grassell, Energy Development and Conservation Manager, Lacy Stockton, Energy Efficiency Marketing Strategist, and Josh Mitchell, Energy Efficiency Advisor, reviewed low-income program options
- Recommendations include focus on high energy-burdened customers and explore external funding to assist customer participation in standard programs
- Commissioners expressed support for program eligibility and income verification recommendations
- Commissioners will further consider the funding level for additional program levels
- Erik Wahlquist, General Counsel, in response to a question from the last meeting, noted that there is a specific statute allowing connection fees to be waived or reduced for low-income customers purchasing homes from tax-exempt organizations, at the Board's discretion

**Recess at 12:00pm, Reconvene at 1:02pm**

### **Public Safety Outage Management**

(see Chelan PUD website for presentation)

- Rachel Hansen, Senior Communications Strategist, Chad Bowman, Director of Transmission and Compliance, and Chad Rissman, Director of Distribution Asset Management, gave an update on the fire safety outage
- One of the highest-risk areas in the state is near Plain, Lake Wenatchee, and Coles Corner; this policy would be used as a last resort in extreme fire weather conditions
- Commissioners agreed that staff should engage with emergency response partners

### **Consent Agenda**

(see Chelan PUD website for resolutions)

Vice-President McKenna presented the consent agenda, which included the following items:

- Minutes of the February 16, 2021 Regular Meeting
- Vouchers: Accounts Payable Summary Report dated February 24, 2021:
  - Vouchers totaling \$13,531,756.54;
  - Approval of Customer Deposit Returns and Conservation Incentive payments for the period February 10, 2021 through February 23, 2021 in the amount of \$40,182.79;
  - Approval of the net Payroll, Warrant Nos. 237395 through 237409 and Advice Nos. 709550 through 710306 for the pay period ending February 14, 2021 in the amount of \$2,023,046.97;
  - Approval of Warrant Nos. 27280 through 27313 totaling \$10,580.98 for claim payments from the workers' compensation self-insurance fund for the period ending February 22, 2021;
  - Approval of debt service paid with reserve account interest earnings of \$924.12 for the period 03/01/2021 through 03/31/2021.
- Resolution 9. A RESOLUTION RATIFYING FIELD WORK ORDER NO. 1, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 19-17 WITH MAGNUM POWER, LLC OF CASTLEROCK, WASHINGTON AND AUTHORIZING PAYMENT OF RETAINAGE
- Resolution 11. A RESOLUTION AMENDING SCHEDULES NO. 4 AND NO. 6 OF THE DISTRICT'S INVESTMENT AND BANKING POLICY ADOPTED BY RESOLUTION NO. 16-14094, AS AMENDED, TO UPDATE THE LIST OF SIGNATORS AUTHORIZED TO DISBURSE DISTRICT FUNDS
- Resolution 12. A RESOLUTION AUTHORIZING LOANS FROM THE FINANCING FACILITIES SYSTEM TO THE ROCK ISLAND SYSTEM IN AN AMOUNT NOT TO EXCEED \$54,000,000 AND TO THE ROCKY REACH SYSTEM IN AN

AMOUNT NOT TO EXCEED \$36,000,000, TO FINANCE CERTAIN ROCK ISLAND AND ROCKY REACH CAPITAL IMPROVEMENTS FOR 2021 AND 2022

Moved by: Commissioner Bolz

Seconded by: Commissioner Arseneault

To accept the consent agenda as amended to include Resolutions 11 and 12

Approved: Unanimously

### **Resolution 10**

(see Chelan PUD website for resolution)

- John Sagerser, Engineering and Project Management Manager, presented Resolution 10
- Field work order 3 extends pre-construction services to May 5 and moves \$1M planned for in the guaranteed maximum price to pre-construction services; this allows more time as the District works to negotiate an extended warranty
- Resolution 10. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 1 AND 2 AND AUTHORIZING THE GENERAL MANAGER TO EXECUTE FIELD WORK ORDER/CHANGE ORDER NO. 3 ON THE DESIGN-BUILD SERVICES CONTRACT FOR THE ROCK ISLAND DAM POWERHOUSE #2 – GENERATING UNIT REHABILITATION PROJECT WITH GE RENEWABLES US LLC OF GREENWOOD VILLAGE, CO

Moved by: Commissioner Congdon

Seconded by: Commissioner Bolz

To approve Resolution 10 as presented

Approved: Unanimously

### **Manager Items**

- Shaun Seaman, Government and External Affairs Program Manager, provided a legislative update on bills of interest and what to expect for the rest of the session
- Tracy Yount, Director of External Affairs, reviewed vaccine activities at the Town Toyota Center and a request to use Walla Walla Park for vehicle staging
  - Chelan Douglas Health District has asked us to consider ongoing support; CDHD has offered to pursue cost recovery for support provided to date and on a monthly basis going forward
- John Stoll, Managing Director of Customer Utilities, reported on recent avalanche activity on Stevens Pass
  - Puget's transmission line was hit by an avalanche; will take them several days to restore that line which gives us some risk without the redundancy on our side of the pass
  - Part of our distribution system was hit as well, taking out about 20 poles; crews have reenergized as many customers as they could
    - The DOT shed will be out of service until further repairs can be made

### **Public Comment**

- Mayor Bob Geodde, Public Works Director Jake Youngren, and City Administrator Wade Farris, from the City of Chelan introduced the city's proposal to underground utilities in the alley north of Woodin Avenue
  - The city would like to partner with us on this project to complete a comprehensive underground utility layout and hopefully avoid further breaching of the asphalt
  - Steve Wright, General Manager, noted that while this is not in our current work plan, we want to work with the city to meet their needs

### **Manager Items**

- Rachel Hansen, Senior Communications Strategist, noted that a Wenatchee World photographer will visit Rock Island to photograph the dive team placing equipment for the 10-year fish study
- Steve Wright, General Manager, gave an update on recent outages in Texas

- Combination of bad luck and bad policy with a one in 100-year storm; noted similarities and differences between Texas and the Pacific Northwest
- Steve anticipates we'll revisit policies about how we handle bad weather and noted resource adequacy has been a priority topic in the Northwest

**Commissioner Travel**

- Lisa Sanders, Legal Administrative Assistant, reviewed upcoming meeting and travel arrangements
  - APPA will be both live and virtual event options for the Annual Conference

**Follow up on Delegation of Action Items from 2/16/21 Board meeting**

- Chelan County Housing Trust –
  - Robb Davis will find ways to connect our conservation programs to these organizations
  - Erik Wahlquist will investigate what types of supportive actions are allowed within our statutory authority, such as discounted hook-up fees – reported today
- Steve Wright will develop a study session item on Energy Resources including cost of hydrogen and its connection to converting coal-fired plants to natural gas
- Justin Erickson will provide budgetary details for the \$400K of additional PPB funds for Discovery Center egress/access improvements
- Steve Wright will provide a comparison of 2019 to 2020 EOY performance plan results
- Steve Wright will share information on cold temperatures and their effects on wind turbine functionality – further information indicates Tracy's explanation was correct regarding icing on the wind turbine blades

**Delegation of Action Items**

- Catherine Willard will provide information on items that impact fish return and survival
- Alene Underwood will provide information on the maximum beneficial elevation gain for fish ladders
- Steve Wright will provide information on the cost of reducing connection fees for purchasers of low-income housing from tax-exempt organizations
- Andrew Grassell will provide additional information on low-income program options outlining financial impact to customers compared to cost of program
- Steve Wright will further describe resource adequacy

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

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President

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Vice President

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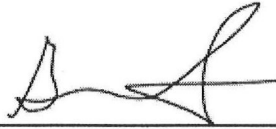
Secretary

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Commissioner

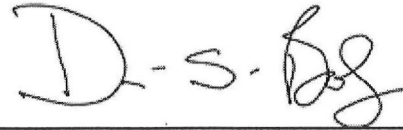
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Commissioner



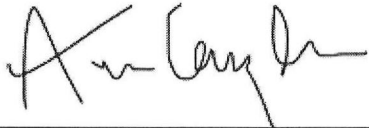
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Garry Arseneault - Board Member  
Approved on 3/22/2021 4:50PM PDT



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Dennis Bolz - Board Member  
Approved on 3/16/2021 3:44PM PDT



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Ann Congdon - Board Member  
Approved on 3/16/2021 10:57AM PDT



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Steve McKenna - Board Member  
Approved on 3/25/2021 4:38PM PDT



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Randy Smith - Board Member  
Approved on 3/16/2021 9:33AM PDT