

**Minutes of the Special Meeting (Chelan County Tri-Commission)  
of the Commission  
of Public Utility District No. 1 of Chelan County, Washington  
March 30, 2021**

The special meeting of the Commission, of Public Utility District No. 1 of Chelan County, Washington, was held via Zoom, on March 30, 2021, at the hour of 1:00 pm, pursuant to proper notice thereof.

**Chelan PUD Commissioners and Staff present:**

Randy Smith, Commissioner  
Garry Arseneault, Commissioner  
Dennis Bolz, Commissioner  
Ann Congdon, Commissioner  
Steve McKenna, Commissioner  
Steve Wright, General Manager  
Justin Erickson, Managing Director of Dist. Services  
Rebekah Garfein, Clerk of the Board  
Chad Bowman, Dir. of Transmission & Compliance  
Rachel Hansen, Senior Communications Strategist  
Chad Rissman, Director-Distribution Asset Manager  
Shaun Seaman, Gov. / External Affairs Program Mgr  
Teka Sellers, Customer Outreach Specialist II  
Ron Slabaugh, Water/Wastewater Manager  
Andy Wendell, Dir. Cust. Service, Stakeholder Outrch

**Chelan County Commissioners and Staff present:**

Bob Bugert, Commissioner  
Kevin Overbay, Commissioner  
Tiffany Gering, Commissioner  
Blake Baldwin, Economic Development Director  
Mike Kaputa, Director of Natural Resources  
Carlye Baity, Clerk of the Board

**Chelan Douglas Regional Port Authority  
Commissioners and Staff present:**

JC Baldwin, Commissioner  
Donn Etherington, Commissioner  
Jim Huffman, Commissioner  
Mark Spurgeon, Commissioner  
Rory Turner, Commissioner  
Jim Kuntz, Executive Director  
Cami Harris, Administrative Assistant

**Others present:**

Jim Fletcher, Cashmere Mayor  
Bob Goedde, Chelan Mayor  
Wade Farris, City of Chelan  
Carl Florea, Leavenworth Mayor  
Frank Kuntz, Wenatchee Mayor  
Laura Merrill, City of Wenatchee  
Jerrilea Crawford, East Wenatchee Mayor  
Steve Keene, Peshastin Community Coun/Water Dist  
Jefferson Robbins  
Kelli Scott  
Linda Haglund, Wenatchee Downtown Association  
Shiloh Burgess, Wenatchee Valley Chamber  
Sasha Sleiman, Wenatchee Valley Chamber

**Call To Order**

- Chelan County PUD President, Randy Smith, called the meeting to order at 1:03pm
- Justin Erickson led the pledge of allegiance

**Tri-Commission Updates**

- Chelan County Commission
  - Water Code Update
    - This is an increasingly complex issue; challenges around management of water supply and streamflow
    - Mike Kaputa reviewed the County's new water code, effective April 1
    - Code responds to increased regulatory requirements

- Cost-effective approach that can be administered at the county level; trying to prevent any closures or moratoriums in basins due to lack of supply
- Chelan Douglas Regional Port Authority
  - Reviewed funding provided under the CARES Act; new grants through the Washington State Department of Commerce opened on Monday for applications
  - Reviewed power delivery rates, noting that large power users approaching the Port would have to be sited in Chelan County
  - Reviewed business leads that have expressed interest
- Chelan County PUD
  - Fires Safety Outage Management Plan
    - Developing an outage plan specific to extreme fire conditions; currently engaging community partners
    - Identified Phase I area in Plain, Lake Wenatchee and Coles Corner; wildfire studies converge in this area of highest risk
    - Purpose is to protect people and property by reducing risk of fires started by utility equipment
    - Staff is setting thresholds for wind levels and dry fuel load; want to make information and metrics available to staff and the public
    - Reviewed plan components and outage timeline
  - Substation buildout update was included in the packet as information only
  - Long-Term Marketing Strategy
    - The PUD currently uses a 50/30/20 model (long-term contracts / 5-year slice contracts / local use)
    - The value of long-term sales has been increasing, while the slice product value has decreased
    - There is significant risk in the Pacific Northwest of not having enough supply by 2025 when Clean Energy Transformation Act (CETA) requirements go into effect
    - Plan to move to longer term contracts for the market-based sales portion of our portfolio and changing our approach to cost-based sales
    - Another opportunity are loads interested in locating here that would import their power; Chelan County would realize the benefits of economic development without affecting local ratepayers
  - Second Water Source Update
    - The current water source provides an average of 10MM gallons per day with a capacity of 23MM gallons; studies indicate there will be an adequate supply through 2035-36
    - The Regional Water System has been looking for redundancy and resiliency with a second water source on the Chelan County side of the river; drilled a total of 7 wells without success
    - Will be working to determine the viability of a surface water treatment plant
    - The PUD and Port were able to combine their efforts with a funding request to explore a surface water treatment plan, which Representative Steele has included in the House budget

#### **Legislative Update and Discussion**

- Shaun reviewed bills of interest regarding broadband retail authority, forest health, wildfire, carbon, and Open Public Meetings Act
- Commissioner Overbay reviewed bill 1117 adding salmon recovery to the Growth Management Act

#### **American Rescue Plan Act (ARPA) Opportunity**

- Significant dollars will be coming to Washington State; thinking about priorities and ideas
  - PUD Priorities - broadband expansion and second water source
  - County - regional jail and other department upgrades; possible need in the agricultural community
  - City of Wenatchee and Port - agrees with PUD priorities
  - City of Chelan - water quality and airport issues
    - The Regional Port supports this priority - they would like to see the water line extended to support further development at the airport

- Ideas: to relocate Wenatchee and East Wenatchee wastewater treatment facilities outside of the population centers and funding to remove several underground tanks at Pangborn

**Insights from the Mayors**

- Frank Kuntz, Wenatchee Mayor
  - Submitted a fourth infrastructure grant application to fund Confluence Parkway and other projects
  - Opening city hall to normal activity on April 12
  - Considering what to do with ARPA funding; may direct some money to help local non-profits
  - Engaging with Link and the Port in general discussion on potential transportation lobbying in DC
- Bob Goedde, Chelan Mayor
  - Chelan fared well last year; real estate excise tax is up
  - Residents have indicated a desire for a place to have music festivals; would like to continue conversations with the PUD on possibly terracing Riverwalk park to allow that use
- Carl Florea, Leavenworth Mayor
  - Leavenworth returned to normal activity levels in August; focus on being as safe as possible
  - Have kept the downtown area closed to car traffic
  - In the middle of major infrastructure upgrades to meet Wenatchee River phosphorus limits
    - Received a grant to install smart water meters; will do major assessment of water transmission lines
- Jim Fletcher, Cashmere Mayor
  - Cashmere has done a soft opening, allowing people into City Hall
  - The Association of Washington Cities put out a housing report; local rents are surprising

**Commissioner Comments**

- Jim Huffman expressed kudos to the PUD for being proactive on a fire hazard program; local representatives have indicated a need at the federal level for a radar station here, which could benefit many efforts
- Bob Bugert noted the County is working with many partners on forest health issues
  - Working with Okanogan-Wenatchee National Forest on stewardship contracts for forest thinning as well as a local, small diameter mill, which would be positive for the community and forest health work
- Blake Baldwin reported on the Cascade Public Infrastructure Fund created utilizing a percentage of revenues from County rural taxes
  - An advisory board will advise Commissioners on projects
  - The fund launches on Monday and information will be available on the Commissioner’s website

There being no other business, the meeting adjourned at 2:59pm.

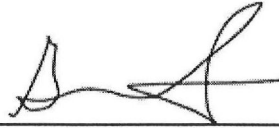
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President

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Vice President

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Secretary

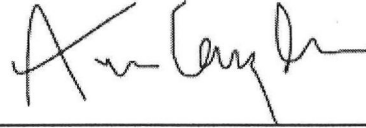
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Garry Arseneault - Board Member  
Approved on 4/9/2021 9:13AM PDT



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Ann Congdon - Board Member  
Approved on 4/5/2021 7:34PM PDT



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Steve McKenna - Board Member  
Approved on 4/12/2021 9:15AM PDT



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Randy Smith - Board Member  
Approved on 4/6/2021 7:11AM PDT